C6240-1

Business and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION

Vol. 41 No. 20 November 11, 1985 Page 153

INSIDE

GLC Nears Consolidation Decision . . . Page 154
Cessna Launching Retail Stores . . . . . . Page 156
October Shipments and Billings . . . . . . Page 157
Business Aviation Briefs . . . . Page 158
Marketplace . . . . Page 160

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

IRS AIRCRAFT VALUATION RULES MAY BE OUT LATE THIS MONTH

Internal Revenue Service issued some revised regulations last week on recordkeeping requirements and the taxation of fringe benefits, but aircraft owners and operators will have to continue waiting for additional rules to determine the amount of tax liability they have incurred through the personal use of business aircraft.

The revised rules published in the Nov. 6 *Federal Register* ease earlier recordkeeping requirements that had come under fire when they were first published early this year *(BA, Jan. 7/1).* They also provide a clearer definition of the term "control employe," and a National Business Aircraft Association official said the new definition tends to make "control employes," or top officials of a company, a smaller group. Most of the material published last week, however, focuses on the personal use of ground-based vehicles and not aircraft.

Asked about the key issue of the value to be placed on the personal use of aircraft, Annette Guarisco of the IRS Legislation and Regulations Division told *BA* Friday "we hope to get those regulations out by the end of November." When the initial aircraft valuation rules were published in January they were widely attacked by aviation industry officials for overstating the value of private use of company-owned aircraft. After Congressional intervention in the issue, the Treasury Department in May issued a letter scaling down the tax impact of personal use of business aircraft and at least partially equating tax liability with the size of the aircraft used *(BA, May 6/137).* Despite that change in the initial IRS/Treasury position, industry officials said more specific regulations were needed to enable companies and individuals to adequately assess their tax situation and it is that additional guidance that IRS now expects to provide by the end of the month.

AGREEMENT REACHED ON SALE OF VAN DUSEN TO APL FOR $21 PER SHARE

Van Dusen Air, Inc., Minneapolis, Minn. and a group affiliated with a New York investment firm reached agreement last week on the sale of the aviation firm for $21 per share. APL Limited Partnership, an affiliate of the New York firm of Miller Tabak Hirsch & Co., has agreed to acquire all outstanding shares of Van Dusen. Total value of the deal is about $85 million and APL also will assume about $22 million in existing Van Dusen debt. The agreement is subject to a number of provisions, including the ability of APL to obtain the necessary financing. In the event the acquisition is not completed by Jan. 20, 1986, APL has agreed to observe a five-year "standstill" period, during which it will not purchase any shares of Van Dusen or otherwise seek control of the company.

Last week's announcement apparently ends a very expensive legal battle for control of Van Dusen that the two parties have been waging since this summer. APL began buying Van Dusen shares in June and both sides subsequently engaged in a series of lawsuits and tender offers aimed at obtaining enough shares to obtain control *(BA, Aug. 26/65).* Neither side was able to do that through its respective tender offers and Van Dusen officials finally agreed to vote in favor of APL's acquisition after APL agreed to buy all outstanding stock for $21 per share and not limit its purchases to simply a controlling interest. In its

(Continued on the following page)

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS GROUP PUBLICATIONS INC. COPYRIGHT @ 1985 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

BUSINESS/PERSONAL AIRCRAFT INDUSTRY – OCTOBER UNIT SHIPMENTS

		Oct. 85	Cal. Year
AEROSPATIALE GENERAL AVIATION			
• Single-Engine			
TB9	Tampico	0	3
TB10	Tobago	4	17
TB20	Trinidad	13	42
TB21	Trinidad TC	0	1
R110		0	2
R180		1	1
R235		0	0
TOTAL		18	66
BEECH AIRCRAFT CORP.			
• Single-Engine			
BE-77	Skipper	0	0
BE-C23	Sundowner	0	1
BE-C24R	Sierra	0	0
BE-F33A	Bonanza	1	18
BE-A36	Bonanza	4	64
BE-V35B	Bonanza	0	0
BE-B36TC	Bonanza	1	13
• Multi-Engine			
BE-B55	Baron	0	0
BE-E55	Baron	0	1
BE-58	Baron	0	19
BE-58TC	Baron	0	1
BE-58P	Baron	1	12
BE-76	Duchess	0	5
BE-860	Duke	0	0
BE-C99	Airliner	0	0
BE-C90-1	King Air	0	22
BE-F90-1	King Air	0	3
BE-B100	King Air	0	0
BE-200	Super King Air	0	23
BE-200C	Super King Air	0	3
BE-300	Super King Air	2	33
BE-200T	Super King Air	0	0
BE-1900C	Commuter	2	16
TOTAL		11	234
Manufacturers net billing – $11,166,986.25			
BRITISH AEROSPACE			
• Multi-Engine			
BAe	Jetstream 31	3	25
HS-748		1	4
BAe 146-100		0	7
BAe 146-200		3	8
HS-125-800	Model A	1	15
HS-125-800	Model B	2	5
TOTAL		10	64
PILATUS BRITTEN-NORMAN LTD.			
• Multi-Engine			
BN-2B	Islander	1	8
BN-2T	Islander	0	0
Mark III	Trislander	0	0
TOTAL		1	8
TO			
CANADAIR LIMITED			
• Multi-Engine			
CL-600	Challenger	0	0
CL-601	Challenger	1	6
TOTAL		1	6
CESSNA AIRCRAFT CO.			
• Single-Engine			
CE-152		3	90
CE-A152	Aerobat	0	6
CE-172	Skyhawk	0	166
CE-172	Cutlass	0	5
CE-172RG	Cutlass	0	11
CE-182	Skylane	1	80
CE-182	Turbo Skylane	0	0
CE-182RG	Skylane RG	0	14
CE-182RG	Turbo Skylane RG	1	12
CE-185	Skywagon	0	18
CE-U206	Stationair 6	3	42
CE-TU206	Turbo Stationair 6	1	25
CE-207	Stationair 8	0	0
CE-TU207	Turbo Stationair 8	0	0
CE-210	Centurion	0	10
CE-T210	Turbo Centurion	1	49
CE-P210	Pressurized Centurion	5	22
CE-188	AgHusky	0	0
CE-188	AgTruck	0	0
• Multi-Engine			
CE-303	Crusader	0	15
CE-335		0	0
CE-340		0	5
CE-402		0	11
CE-404	Titan	0	0
CE-414	Chancellor	1	2
CE-421	Golden Eagle	0	1
CE-208	Caravan I	6	46
CE-425	Conquest I	0	18
CE-441	Conquest II	0	11
CE-500	Citation I	0	6
CE-550S/II	Citation II	7	48
CE-650	Citation III	0	16
CESSNA/REIMS AVIATION			
• Single-Engine			
CE-F152		1	11
CE-F152	Aerobat	1	6
CE-F172	Skyhawk	0	2
CE-FR172	Hawk XP	0	0
CE-F182	Skylane	0	0
CE-F182RG	Skylane RG	0	0
TOTAL		31	748
Manufacturers net billing – $26,472,514			
AVIONS-MARCEL DASSAULT			
• Multi-Engine			
AD-My.10	Falcon	0	0
AD-My.20	Falcon	0	1
AD-My.200	Falcon	1	7
AD-My.50	Falcon	1	8
TOTAL		2	16
DEHAVILLAND AIRCRAFT OF CANADA			
• Multi-Engine			
DHC-6		0	17
DHC-7		0	4
DHC-8		0	10
TOTAL		0	31
EMBRAER			
• Single-Engine			
EMB-200		0	0
EMB-201	Ipanema	6	23
EMB-710	Carioca (PA-28-235 Dakota)	0	2
EMB-711	Corisco (PA-28RT-201 Arrow)	4	16
EMB-712	Tupi (PA-28-181-Archer II)	0	6
EMB-720	Minuano (PA-32-310 Seratoga)	5	10
EMB-721	Sertanejo (PA-32R-301 Seratoga)	0	5
• Multi-Engine			
EMB-110	Bandeirante	0	7
EMB-120	Brasilia	1	3
EMB-121	Xingu	0	2
EMB-810D	Seneca II	3	32
EMB-820	Chieftain	0	1
TOTAL		19	107
FAIRCHILD AIRCRAFT CORP.			
• Multi-Engine			
Merlin III-C		0	2
Fairchild 30		0	0
Merlin IV-C		0	1
Metro III		2	12
Expediter		1	5
TOTAL		3	20
GATES-LEARJET			
• Multi-Engine			
LR-25D		1	3
LR-25G		0	3
LR-29		0	0
LR-35A		0	7
LR-36A		0	0
LR-55		1	6
TOTAL		2	19

GULFSTREAM AEROSPACE

		Oct. 85	Cal. Year
• Multi-Engine			
GR-1159A	Gulfstream III	0	12
AE-840	Turbo Commander	0	1
AE-900	Commander 900	3	7
AE-980		0	0
AE-1000		1	27
TOTAL		4	47

ISRAEL AIRCRAFT INDUSTRIES

		Oct. 85	Cal. Year
• Multi-Engine			
1124	Westwind 1	*	0
1124A	Westwind 2	*	7
	Astra	*	1
TOTAL		*	8

LAKE AIRCRAFT

		Oct. 85	Cal. Year
• Single-Engine			
LA-4-200EP		0	6
LA-250	Renegade	1	13
TOTAL		1	19

MAULE AIR INC.

		Oct. 85	Cal. Year
• Single-Engine			
M-5-180C		0	22
M-5-200		0	0
M-5-235C	Lunar Rocket	0	1
M-6-235		1	5
M-7-180		2	18
M-7-235	Super Rocket	1	11
MX-7-235		4	16
TOTAL		8	73

Manufacturers net billing – $411,077

MITSUBISHI

	Oct. 85	Cal. Year
• Multi-Engine		
Solitaire	0	0
Marquise	1	4
Diamond	0	3
Diamond II	1	2
TOTAL	2	9

MOONEY AIRCRAFT CORP.

		Oct. 85	Cal. Year
• Single-Engine			
M-20J	201	8	40
M-20K	231	2	29
TOTAL		10	69

PIPER AIRCRAFT CORP.

		Oct. 85	Cal. Year
• Single-Engine			
PA-38-112	Tomahawk	0	0
PA-28-161	Warrior	22	84
PA-28-181	Archer II	5	78
PA-28-236	Dakota	3	19
PA-28RT-201T	Turbo Arrow IV	1	14
PA-32-301	Saratoga	3	28
PA-32R-301	Saratoga SP	4	12
PA-32R-301T	Turbo Saratoga SP	2	17
PA-46-310P	Malibu	6	85
• Multi-Engine			
PA-31-350	Chieftain	0	6
PA-31P-350	Mojave	0	12
PA-31-500	Cheyenne I	0	1
PA-31-500	Cheyenne IA	0	2
PA-42-720	Cheyenne III	0	1
PA-42-720	Cheyenne IIIA	1	5
PA-42-1000	Cheyenne 400LS	1	17
PA-34-220T	Seneca III	9	52
PA-44-180	Seminoleq	0	12
PA-44-180T	Turbo Seminole	0	5
PA-700P	Aerostar	0	7
PA-T1020		0	0
PA-T1040		0	1
TOTAL		57	458

Manufacturers net billing – $9,977,348

SHORT BROTHERS LTD.

		Oct. 85	Cal. Year
• Multi-Engine			
SBJ-CS-7	Skyvan	0	0
SD-3-30		0	1
SD-3-60		2	15
TOTAL		2	16

	Oct. 85	Cal. Year
SINGLE-ENGINE	121	1,291
MULTI-ENGINE	61	719
GRAND-TOTAL	182	2,010

UNIT SHIPMENTS COMPARATIVE TREND: 19 MANUFACTURERS

	October			Calendar Year to Date		
	1985	1984	1983	1985	1984	1983
Aerospatiale	18	*	*	66	*	*
Beech	11	36	20	234	349	328
British Aerospace	10	3	4	64	46	46
Britten Norman	1	0	*	8	9	10
Canadair	1	*	*	6	16	*
Cessna	31	68	57	748	804	1,090
Dassault	2	4	0	16	23	22
De Havilland	0	1	1	31	20	10
Embraer	19	15	6	107	88	70
Fairchild	3	3	6	20	23	29
Gates	2	2	0	19	19	24
Gulfstream	4	3	5	47	41	51
Israel	*	3	0	*	11	7
Lake	1	*	3	19	23	21
Maule	8	8	3	73	46	33
Mitsubishi	2	1	0	9	12	*
Mooney	10	10	12	69	119	115
Piper	57	59	40	458	522	509
Short	2	2	1	16	27	26
TOTAL	182	218	158	2,010	2,159	2,425

* Figures not available.

C6240-1

Business and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION

Vol. 41 No. 21 November 18, 1985 Page 161

INSIDE

Piper Makes Management Changes . . . . . Page 162
GLC Reports $11 Million Loss . . . . . . Page 164
RAA Membership Posts Decline . . . . . . Page 165
Business Aviation Briefs . . . . Page 166
Marketplace . . . . Page 168

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

SENATE APPROVES $25 PER ENTRY CUSTOMS FEE FOR GA AIRCRAFT

U.S. Senate last week accepted an amendment proposed by Sen. Dennis DeConcini (D-Ariz.) that will put an annual $500 ceiling on a $25 per entry customs fee which the Senate Finance Committee approved earlier for general aviation aircraft flying into the U.S. from other nations. The Senate bill differs from one passed by the House this summer, which calls for a single annual fee of $25 *(BA, July 22/26)*. Differences between the two proposals, which are contained in a budget reconciliation package, will be debated in a House-Senate conference committee later this month. National Business Aircraft Association, in a notice to its members, called the Senate action "unwarranted and totally out of proportion to the cost of providing the (customs) service," and said "to charge individuals entering the country for inspections which are required by the federal government is antithetical to the concept of user fees itself."

NTSB'S GOLDMAN RENEWS CALL FOR CVR, FDR UNITS ON COMMUTERS

National Transportation Safety Board Vice Chairman Patricia Goldman said last week that because of the lack of any cockpit voice recorders or flight data recorders on board the Embraer Bandeirante which crashed in Jacksonville, Fla. last year *(BA, Dec. 10, 1984/185)* she was "personally skeptical that the board will ever be able to say with certainty" exactly what the cause of the Provincetown-Boston Airlines' crash was.

Speaking before the Regional Airline Association's fall meeting in Puerto Rico, Goldman said despite the improvement in commuter airline accident statistics since 1980, the lack of CVRs and FDRs in commuter aircraft was one of a "number of problems" the industry is facing. Recorders on board the PBA plane, she said, would not only have enabled NTSB to make a determination as to the accident's cause, but would have been "cost effective for the commuter industry and the taxpaying public" as well. Cost of the crash investigation, excluding salary, has exceeded $80,000. She said that while the board "is going to continue to press for the installation of recorders," she is "not optimistic that retrofit will be seen soon, if at all." Goldman said cost and installation of both recorders is somewhere in the area of $20,000 to $35,000, which she termed "an entirely reasonable cost," considering a new commuter airplane is priced at $3-6 million.

Goldman said the "low number of pilot hours" reflect another serious problem of the industry. She said pilot turnover resulted in pilots flying who have "just met FAA requirements, (have) little experience with the pilots who they are flying with, the airports they are flying from, and the equipment they are operating." To combat the problem, Goldman stressed the need for "more sophisticated screening methods" that would check more thoroughly into a pilot's background."

GATES LEARJET TO CONSOLIDATE ALL MANUFACTURING IN WICHITA

Gates Learjet Corp., as expected, announced last week it will consolidate all manufacturing operations in Wichita, Kan., suspend manufacturing at its Tucson, Ariz. plant on Dec. 13 and begin laying off some 500-550 of its 815 employes there. The company is expected to retain 200-250 employes in Tucson indefinitely, most of whom will be involved in customer service and support functions, as Learjet wants to

(Continued on the following page)

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS GROUP PUBLICATIONS INC. COPYRIGHT © 1985 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

AIRPORT & AIRWAY TRUST FUND
Status As Of Aug. 31, 1985

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	$ 7,548,533,456.17	$ 6,440,835,770.41
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund):		
Any liquid fuel except gas	7,028,000.00	67,979,299.00
Tires used on aircraft	0.00	0.00
Tubes used on aircraft	0.00	0.00
Gasoline		
1. Commercial 9 cents tax	218,000.00	2,474,000.00
2. Non-commercial 9 cents tax	1,696,000.00	20,184,384.00
3. Non-commercial 3 cents tax	565,000.00	6,274,128.00
4. Transp by air,seats,berths,etc.	228,285,000.00	2,270,305,730.00
Use of international trav fac	24,571,000.00	95,719,424.00
Transp of property and cargo	0.00	129,080,089.00
Total Tax Receipts	262,363,000.00	2,592,017,054.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	0.00	-10,657.00
2. Any liquid fuel except gas	0.00	-3,385,202.00
3. Gasoline -Retailer's tax	0.00	-581,777.00
4. Gasoline -Manufac. tax	0.00	-2,035.00
Total Reimburse For Tax Refunds	0.00	-3,979,671.00
Net Tax Receipts	262,363,000.00	2,588,037,383.00
C. Interest on Investments	962,498.19	743,543,223.03
Net Receipts	263,325,498.19	3,331,580,606.03
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	156,315,990.00	922,795,720.24
2. Grants-in-aid for airports	63,640,349.09	680,414,052.60
3. Facilities & equipment	35,256,742.03	375,923,813.39
4. Research engineering & development	23,840,740.71	240,220,056.68
B. NOAA weather services	0.00	20,250,000.00
C. Interest on Refund of Taxes	0.00	7,601.00
Total Expenditures	279,053,821.83	2,239,611,243.91
IV. BALANCE - END OF PERIOD	7,532,805,132.53	7,532,805,132.53

ASSETS :		
Undisbursed Balances:		
Airport & Airway Trust Fund	-611.09	
Operations	9,279.76	
Grants-in-aid for Airports	-182,129.39	
Facilities & Equipment	-224,303.69	
Research Engineering & Development	-1,200,103.06	
NOAA weather services	0.00	
		$ -1,597,867.47
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS:		
10-3/4% maturing JUNE 30, 1986	$ 7,441,629,000.00	
10-5/8% maturing JUNE 30, 1986	15,740,000.00	
10-1/2% maturing JUNE 30, 1986	77,034,000.00	
		7,534,403,000.00
Total Assets		7,532,805,132.53
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		$ 7,532,805,132.53
Total Liabilities and Equity		7,532,805,132.53

Treasury Department Chart

26240-1

Business and commercial Aviation

THE WEEKLY OF
BUSINESS AVIATION

Vol. 41 No. 22 November 25, 1985 Page 169

INSIDE

Extended 250-Knot Limit Urged ..... Page 170
PBA Cutting Flights, Aircraft .... Page 171
11 Airports To Get ARSAs .... Page 172
Business Aviation Briefs .... Page 173
Marketplace .... Page 176

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

CESSNA OFFICIALS ENTHUSED BY INITIAL RESPONSE TO HANGAR 10 STORE

Cessna Aircraft officials told *BA* last week the initial public response to the company's prototype Hangar 10 "aviation department store" has exceeded projections and the company is gearing up for a possible expansion program next year. The first Hangar 10 outlet, which features a variety of aviation-related merchandise and a Skyhawk flight module with a visual presentation *(see photo on the back of Page 172)*, opened Nov. 12 in a Dallas shopping center *(BA, Nov. 11/156)*. Mark Blair, sales manager-consumer marketing, said "a tremendous number of people" have visited the store in the first two weeks. In addition to signing up a number of people for flight lessons right in the store, others have gone to one of the nine Cessna Pilot Centers in the Dallas area and signed up for lessons after visiting the store. Major reason for the new marketing concept is to foster interest in learning to fly, but Blair also said that merchandise sales "are considerably higher" than had been anticipated.

A second prototype store is scheduled to open in Minneapolis on December 4. Blair said operations at both locations will be monitored on a daily basis until some time in the first quarter of 1986. If results are still encouraging at that point, Cessna is prepared to rapidly expand the number of locations and could have up to 50 stores in operation by the end of 1986.

The focal point in each location will be the flight module and the Minneapolis store will even feature "runway lights" along the edge of the carpeting leading from the store entrance to the module. Blair said Cessna is "trying to create a customer-friendly environment that we don't have in aviation today." The Dallas store has 1,520 square feet of space and the Minneapolis outlet will be slightly larger.

GAMA SAYS IT WILL NOT ISSUE A FORECAST OF 1986 SHIPMENTS

General Aviation Manufacturers Association, citing several factors, confirmed last week it will discontinue a longstanding policy and will not issue a forecast of 1986 shipments "due to the unpredictability of the market in changing economic conditions, including uncertainties of future government tax policies."

GAMA began issuing an annual forecast each January in the mid-1970s, listing the estimated number of aircraft and total billings its members would produce, but GAMA President Ed Stimpson said the "totally unforeseen effects of the government tax debate and potential tax revisions have entirely changed the complexion of the general aviation market in 1985. We foresee similar conditions in 1986; therefore we cannot predict with any exactness the industry output for 1986."

He also noted that Cessna, the last independent general aviation manufacturer, has agreed to be acquired by General Dynamics, "thus ending intense Wall Street interest in these formerly publicly-owned, stock-held firms. Since the GAMA forecast originated in the mid-1970s due to the interest of Wall Street analysts, the impetus for future GAMA forecasts is lessened considerably." For this reason, Stimpson said GAMA has discontinued its January presentations to the security analysts "but will continue to offer an industry overview in January centered on yearend results and issues rather than forecasts." He also noted that "continuing industry consolidation and product changes make it difficult to predict 1986 results."

(Continued on the following page)

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS GROUP PUBLICATIONS INC. COPYRIGHT @ 1985 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

GAMA *(Cont.)*

One other factor not mentioned in GAMA's formal statement was the apparent inability of GAMA members to reach agreement on a 1986 forecast. In response to a question from *BA*, Stimpson agreed that in discussions of GAMA's forecast committee "the numbers were all over the lot." Aircraft production by GAMA members grew steadily throughout the 1970s, peaking at 17,811 and 17,048 units in 1978 and 1979 and then falling off steeply in the current decade *(see chart on the back of this page).* Annual dollar volume also rose steadily until it peaked in 1981 at just under $3 billion, but has since fallen off to about half that level.

Through the first 10 months of 1985, GAMA members had delivered 1,699 new aircraft valued at $1.07 billion, decreases of 13.3 percent and 18.1 percent, respectively, from the same period last year. While Stimpson refused to discuss anticipated production levels for 1986, it is expected that shipments could fall even lower next year, particularly if tax reform legislation being considered by Congress is enacted. The House Ways and Means Committee last week approved a package that would eliminate the 10 percent investment tax credit for purchases such as aircraft and alter depreciation schedules. Elimination of the ITC is viewed as a potentially serious setback for GA aircraft sales *(BA, June 3/169).*

AOPA WANTS FAA TO EXTEND 250-KNOT LIMIT TO 12,500 FEET – Aircraft Owners and Pilots Association has petitioned FAA seeking a new rule to "raise the altitude below which no aircraft may operate at more than 250 knots indicated airspeed from 10,000 feet to 12,500 feet MSL." In its petition, which was published by FAA in the Nov. 20 issue of the *Federal Register*, AOPA said the intent of FAA Order 7110.22C (Keep-'em-high) was to minimize the time that general aviation aircraft and high performance aircraft would occupy the same airspace. AOPA asserted that "today, the procedure is not in general practice. 'Heavies' are cleared to descend below 10,000 feet 30 to 60 miles away from high traffic terminals and penetrate terminal airspace from the side rather than from the top" thereby increasing the amount of time GA and air carrier traffic mix prior to entering terminal controlled airspace. The association said it believes raising the altitude below which aircraft cannot exceed 250 knots will reduce the number of near midair collisions.

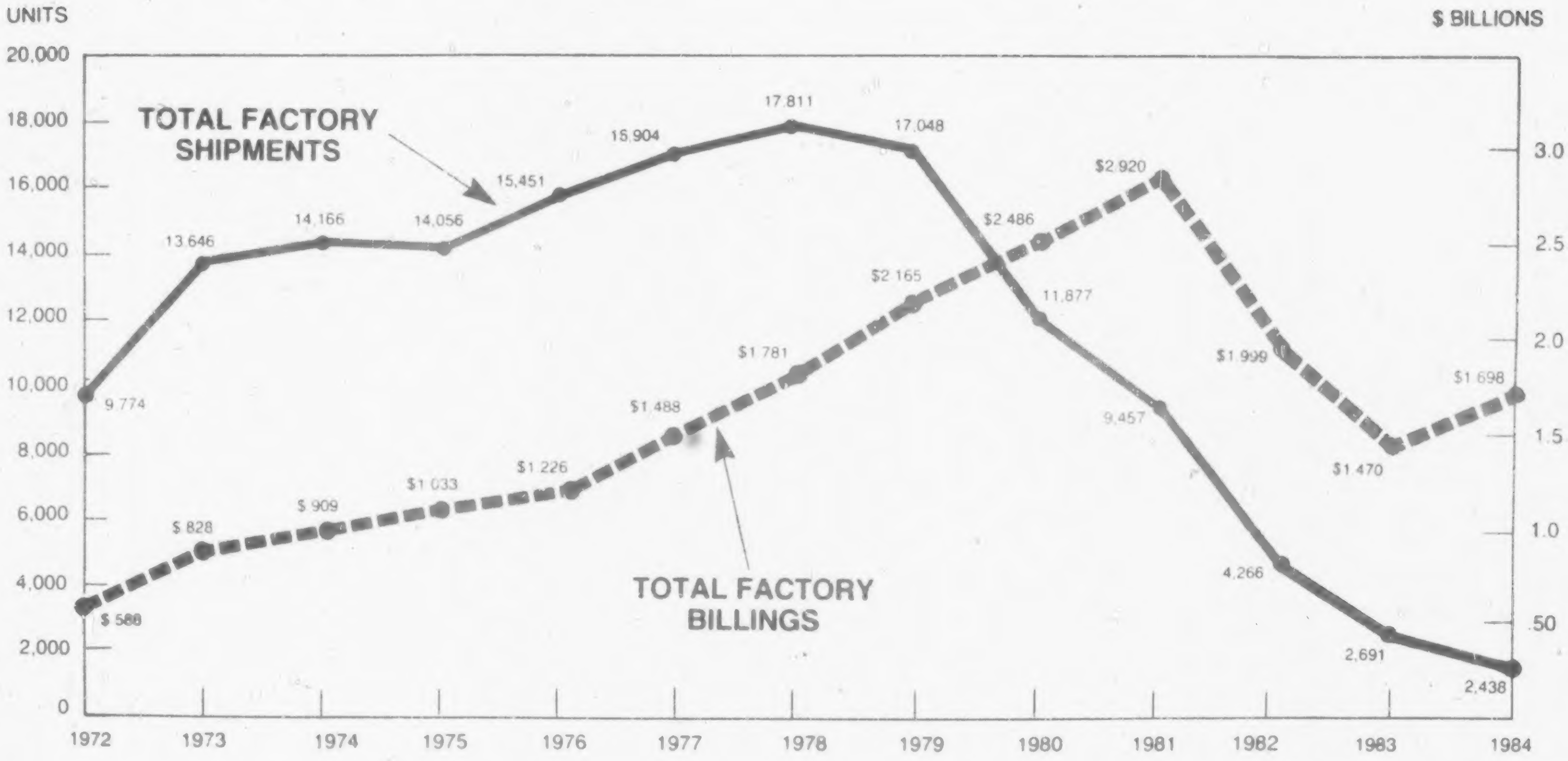
Comments on the AOPA petition should refer to Docket No. 24744 and be submitted by Jan. 21 to: FAA, Office of the Chief Counsel, Attn: Rules Docket (AGC-204), 800 Independence Ave. S.W., Washington, D.C. 20591.

NATA URGES SUPPORT OF PROPOSED PART 139 REVISION – National Air Transportation Association President Larry Burian said fixed base operators will "breathe a collective sign of relief" in response to the notice of proposed rulemaking on FAR Part 139 released by the Federal Aviation Administration *(BA, Oct. 28/139).* NATA said the FAA proposal would not require any form of federal regulation on fueling operations or fueling personnel. Instead, FAA is seeking comments on two options: requiring airports to establish and enforce fueling standards; or allowing the fueling industry to regulate itself. NATA said it has lobbied hard to avoid federal regulation or licensing of FBOs or their employes who handle fuel, adding that other aviation trade groups also have supported that position. Burian said the industry must now "respond during the comment period and maintain a high level of performance to back up our point of view." Deadline for comments on the NPRM is Jan. 21, 1986.

THREE COMPANIES INTERESTED IN FAIRCHILD REPUBLIC – Three aerospace companies are expressing interest in buying Fairchild Republic Company, Farmingdale, N.Y., including Boeing, Grumman and a third company that Fairchild officials decline to identify. The need to sell off Republic has become more apparent as Fairchild Industries Inc., the parent company of Republic, reported heavy financial losses for the first nine months of the year *(BA, Nov. 16/166).*

Grumman Chairman John Bierworth has said that Grumman will decide by Thanksgiving whether it will bid for Republic. Grumman completed a survey of Republic's facilities earlier this month. "We still hope to make an offer for Fairchild and, if we do, it will occur sometime next week," a spokesman said. A Boeing spokesman confirmed that the company "has had very preliminary and limited discussions with Fairchild regarding its Fairchild Republic Co. and beyond that there is no further comment."

General Aviation Unit Shipments/Billings



C6240-1

Business and commercial **Aviation**

THE WEEKLY OF BUSINESS AVIATION

Vol. 41 No. 24 Dec. 9, 1985 Page 185

INSIDE

Boeing Buys DeHavilland Aircraft......Page 186
New Piper President Named...............Page 187
Security Rule May Impact FBOs.........Page 188
Business Aviation Briefs......................Page 190
Marketplace...Page 192

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

BEECH TO ASSEMBLE AND MARKET MITSUBISHI DIAMOND II AIRCRAFT

Raytheon subsidiary Beech Aircraft and Mitsubishi Heavy Industries ended months of negotiations and industry speculation last week when they announced that Beech has acquired the Diamond II business jet line from MHI and its U.S. subsidiary, Mitsubishi Aircraft International. MHI will continue to manufacture subassemblies for the Diamond II in Japan and ship them to the U.S. where the aircraft will be assembled and completed at Beech facilities in Wichita. All of MAI's general aviation operations outside Japan, including the Diamond IA business jet and the Marquise and Solitaire turboprop assembly programs, will be terminated after liquidation of existing inventory. Mitsubishi's plant in San Angelo, Tex. and its marketing and administrative headquarters in Dallas will be closed. MAI has about 310 employes, including about 260 in San Angelo.

The Diamond II was viewed as one of the likeliest candidates for acquisition by Beech since Beech President James Walsh announced that the company planned to acquire a jet model to complement its existing turboprop line (BA, July 22/25). Walsh said as recently as late September that company officials were still undecided about whether they should acquire a small jet like the Diamond II or a larger aircraft (BA, Sept. 30/107), but Mitsubishi's lack of success in the jet business made the Diamond line available. Beech and Mitsubishi spokesmen refused to discuss what Beech paid for the Diamond II, but it is believed to be a relatively nominal sum. In addition, as part of the agreement, Mitsubishi will continue to be responsible for any product liability suits arising from accidents involving Mitsubishi-produced aircraft. The Diamond II is a derivative of the initial Mitsubishi Diamond business jet. Powered by two 2,900-pound Pratt & Whitney JT15D-5 turbofans, it can operate at altitudes up to 41,000 feet and can carry up to eight passengers and two pilots. Maximum range, with IFR reserves, is 1,550 nautical miles.

Beech Calling Diamond II The Beechjet

In addition to assembling and marketing the Diamond II, which will be marketed under the name Beechjet, Beech will take over product support activities for Mitsubishi-built turboprops and jets outside Japan. Mitsubishi has delivered 758 turboprop units worldwide, of which about 55 are in Japan, plus 74 Diamonds, Diamond IAs and Diamond IIs since jet deliveries began in late 1982. The Diamond II was certificated in May, but only three units had been delivered through November, although a spokesman said three additional units are scheduled for delivery this month. He said there are no Diamond IIs in inventory, but did acknowledge that MAI has about 15 Diamond IAs. "We will attempt to sell those before the transition is completed, "he said, noting the ongoing "Fly 1986 Free" marketing program under which persons who buy a new Diamond IA before yearend will not have to make any payments in 1986 (BA, Nov. 18/163). In addition, Beech has an option to pick up any unsold IAs on consignment. MAI said it will phase out part of its U.S. operations by Jan. 31, with the remainder to be concluded by March 31. No decision has yet been made on what will be done with the factory in San Angelo, where about 260 of MAI's 310 employes are located.

Beech expects to begin deliveries of the Beechjet in the first quarter of 1986. The aircraft will be marketed through the company's worldwide network of 34 full-line Corporate Aviation Centers.

(Continued on the following page)

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS GROUP PUBLICATIONS INC. COPYRIGHT @ 1985 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

AIRPORT AND AIRWAY TRUST FUND
Status As Of Sept. 30, 1985

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	$ 7,532,805,132.53	$ 6,440,835,770.41
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund):		
Any liquid fuel except gas	5,050,000.00	73,029,299.00
Tires used on aircraft	0.00	0.00
Tubes used on aircraft	0.00	0.00
Gasoline		
1. Commercial 9 cents tax	225,000.00	2,699,000.00
2. Non-commercial 9 cents tax	1,756,000.00	21,940,384.00
3. Non-commercial 3 cents tax	614,000.00	6,888,128.00
4. Transp by air,seats,berths,etc.	238,471,000.00	2,508,776,730.00
Use of international trav fac	12,571,000.00	108,290,424.00
Transp of property and cargo	4,975,000.00	134,055,089.00
Total Tax Receipts	263,662,000.00	2,855,679,054.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	-1,250.00	-11,907.00
2. Any liquid fuel except gas	-359,560.00	-3,744,762.00
3. Gasoline -Retailer's tax	-70.00	-581,847.00
4. Gasoline -Manufac. tax	-430.00	-2,465.00
Total Reimburse For Tax Refunds	-361,310.00	-4,340,981.00
Net Tax Receipts	263,300,690.00	2,851,338,073.00
C. Interest on Investments	2,755,155.45	746,298,378.48
Net Receipts	266,055,845.45	3,597,636,451.48
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	187,194,690.00	1,109,990,410.24
2. Grants-in-aid for airports	108,242,743.85	788,656,796.45
3. Facilities & equipment	49,492,411.95	425,416,225.34
4. Research engineering & development	21,674,158.75	261,894,215.43
B. NOAA weather services	0.00	20,250,000.00
C. Interest on Refund of Taxes	230.00	7,831.00
Total Expenditures	366,604,234.55	2,606,215,478.46
IV. BALANCE - END OF PERIOD	7,432,256,743.43	7,432,256,743.43

ASSETS :		
Undisbursed Balances:		$
Airport & Airway Trust Fund	1,004.36	
Operations	9,589.76	
Grants-in-aid for Airports	-3,734,873.24	
Facilities & Equipment	8,954,284.36	
Research Engineering & Development	10,058,738.19	
NOAA weather services	6,750,000.00	
		$ 22,038,743.43
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS:		
10-3/4% maturing JUNE 30, 1986	$ 7,410,218,000.00	
		7,410,218,000.00
Total Assets		7,432,256,743.43
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		$ 7,432,256,743.43
Total Liabilities and Equity		7,432,256,743.43

Treasury Department Chart

CC240-1

Business and commercial **Aviation**

THE WEEKLY OF BUSINESS AVIATION

Vol. 41 No. 25 Dec. 16, 1985 Page 193

INSIDE

NBAA's Winant To Retire in '86........Page 194
FAA Grounds SF-340..........................Page 195
November Shipments and Billings.......Page 196
Business Aviation Briefs.....................Page 198
Marketplace.......................................Page 200

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

BUY-SELL RULES ON AIRPORT SLOTS EXPECTED OUT THIS WEEK

Federal Aviation Administration is expected to issue a rule this week outlining the procedures under which operating slots at high-density airports can be bought and sold. As drafted, the rule would not permit the sale of slots now reserved for general aviation operations. Air carriers with permanent slots on the day the rule is issued would keep those slots, which would account for about 90-95 percent of all slots at the high-density airports—Chicago O'Hare, Kennedy and La Guardia in New York and Washington National. Unlike earlier proposals, the new buy-sell rule is expected to apply to slots used by commuter carriers, as well as those used by the large carriers.

Federal officials would retain the option of withdrawing up to five percent of allocated slots from existing carriers for use by new entrant airlines who would participate in a lottery. In addition, air carrier and commuter slots not used at least 65 percent of the time over any two-month period would revert to FAA, which would allocate them through the lottery process. The new rule, which is scheduled to become effective April 1, is expected to be the subject of a public hearing early next year.

Exactly when, and whether, the buy-slot rule was to be issued has been the subject of intense political interest in recent days. Sen. Nancy Kassebaum (R-Kan.), chairman of the Senate aviation subcommittee, has indicated her displeasure with the buy-sell mechanism and had been attempting to keep FAA from issuing a rule.

IRS CHIEF SAYS NEW RULES PLACE LOWER VALUE ON AIRCRAFT USE

Internal Revenue Service Commissioner Roscoe Egger indicated that new rules regarding taxation of fringe benefits—including personal use of business aircraft—will be issued this week and Egger said the new proposals will place a lower value on non-commercial aircraft flights than the first IRS fringe benefit regulations.

Egger, addressing a group of accountants in Scottsdale, Ariz. last Thursday, said the new regulations will be issued in temporary and proposed form rather than final form. He said IRS expects to hold a public hearing on them next year. On the issue of non-commercial flight valuations, "the value of flights is generally much lower than in the January regulations," Egger said, adding that they "also provide considerable guidance about what constitutes a flight and how to value a trip that combines business with personal flight," (BA, May 6/137).

NEW ASCO PRESIDENT SUED BY FORMER EMPLOYER FOR $20 MILLION

James C. Leach, who began his duties as acting president of the Aircraft Owners and Pilots Association Service Corp. (ASCO) last Monday (Dec. 9), has been sued by his former employer, Avemco Corp., for allegedly "conducting secret dealings for personal gain with, and scheming to divert profitable business from. . .the Avemco Group and its shareholders." Leach had been chairman and president of National Aviation Underwriters, Inc., a wholly owned subsidiary of Avemco Corp. Suit, which was filed the same day Leach's appointment was announced, seeks at least $20 million in damages.

Avemco said it came to terms with AOPA in October for a "new agreement" which allowed

(Continued on the back of Page 194)

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS GROUP PUBLICATIONS INC. COPYRIGHT © 1985 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

BUSINESS/PERSONAL AIRCRAFT INDUSTRY – NOVEMBER UNIT SHIPMENTS

		Nov. 85	Cal. Year
AEROSPATIALE GENERAL AVIATION			
• Single-Engine			
TB9	Tampico	0	3
TB10	Tobago	5	22
TB20	Trinidad	6	48
TB21	Trinidad TC	3	4
R110		0	2
R180		0	1
R235		0	0
TOTAL		14	80
BEECH AIRCRAFT CORP.			
• Single-Engine			
BE-77	Skipper	0	0
BE-C23	Sundowner	0	1
BE-C24R	Sierra	0	0
BE-F33A	Bonanza	2	20
BE-A36	Bonanza	7	71
BE-V35B	Bonanza	0	0
BE-B36TC	Bonanza	2	15
• Multi-Engine			
BE-B55	Baron	0	0
BE-E55	Baron	0	1
BE-58	Baron	1	20
BE-58TC	Baron	0	1
BE-58P	Baron	0	12
BE-76	Duchess	0	5
BE-860	Duke	0	0
BE-C99	Airliner	0	0
BE-C90-1	King Air	1	23
BE-F90-1	King Air	0	3
BE-B100	King Air	0	0
BE-200	Super King Air	2	25
BE-200C	Super King Air	0	3
BE-300	Super King Air	4	37
BE-200T	Super King Air	0	0
BE-1900C	Commuter	1	17
TOTAL		20	254
Manufacturers net billing – $18,021,714.50			
BRITISH AEROSPACE			
• Multi-Engine			
BAe	Jetstream 31	3	26
HS-748		1	15
BAe 146-100		0	7
BAe 146-200		1	9
HS-125-800	Model A	1	16
HS-125-800	Model B	0	5
TOTAL		6	70
PILATUS BRITTEN-NORMAN LTD.			
• Multi-Engine			
BN-2	Islander	3	11
BN-2T	Islander	0	0
Mark III	Trislander	0	0
TOTAL		3	11
CANADAIR LIMITED			
• Multi-Engine			
CL-600	Challenger	0	0
CL-601	Challenger	0	6
TOTAL		0	6
CESSNA AIRCRAFT CO.			
• Single-Engine			
CE-152		0	90
CE-A152	Aerobat	13	19
CE-172	Skyhawk	1	167
CE-172	Cutlass	0	5
CE-172RG	Cutlass	0	11
CE-182	Skylane	4	84
CE-182	Turbo Skylane	1	1
CE-182RG	Skylane RG	0	14
CE-182RG	Turbo Skylane RG	0	12
CE-185	Skywagon	0	18
CE-U206	Stationair 6	0	42
CE-TU206	Turbo Stationair 6	1	26
CE-207	Stationair 8	0	0
CE-TU207	Turbo Stationair 8	0	0
CE-208	Caravan I	8	54
CE-210	Centurion	2	12
CE-T210	Turbo Centurion	0	49
CE-P210	Pressurized Centurion	4	26
CE-188	AgHusky	1	1
CE-188	AgTruck	0	0
• Multi-Engine			
CE-303	Crusader	0	15
CE-335		0	0
CE-340		0	4
CE-402		1	12
CE-404	Titan	0	0
CE-414	Chancellor	1	3
CE-421	Golden Eagle	1	2
CE-425	Conquest I	1	7
CE-441	Conquest II	1	12
CE-500	Citation I	0	6
CE-550S/II	Citation II	3	52
CE-650	Citation III	1	17
CESSNA/REIMS AVIATION			
• Single-Engine			
CE-F152		1	12
CE-F152	Aerobat	0	6
CE-F172	Skyhawk	0	2
CE-FR172	Hawk XP	0	0
CE-F182	Skylane	0	0
CE-F182RG	Skylane RG	0	0
TOTAL		45	781
Manufacturers net billing – $27,635,273			
AVIONS-MARCEL DASSAULT			
• Multi-Engine			
AD-My.10	Falcon	0	0
AD-My.20	Falcon	0	1
AD-My.200	Falcon	0	7
AD-My.50	Falcon	2	10
TOTAL		2	18
DEHAVILLAND AIRCRAFT OF CANADA			
• Multi-Engine			
DHC-5		0	0
DHC-6		0	17
DHC-7		0	4
DHC-8		3	13
TOTAL		3	34
EMBRAER			
• Single-Engine			
EMB-200		0	0
EMB-201	Ipanema	4	27
EMB-710	Carioca (PA-28-235 Dakota)	4	6
EMB-711	Corisco (PA-28RT-201 Arrow)	2	18
EMB-712	Tupi (PA-28-181-Archer II)	1	7
EMB-720	Minuano (PA-32-310 Seratoga)	1	11
EMB-721	Sertanejo (PA-32R-301 Seratoga)	0	5
• Multi-Engine			
EMB-110	Bandeirante	0	7
EMB-120	Brasilia	1	4
EMB-121	Xingu	0	2
EMB-810D	Seneca II	4	36
EMB-820	Chieftain	0	1
TOTAL		17	124
FAIRCHILD AIRCRAFT CORP.			
• Multi-Engine			
Merlin III-C		1	3
Fairchild 30		0	0
Merlin IV-C		0	1
Metro III		1	13
Expediter		3	8
TOTAL		5	25
GATES-LEARJET			
• Multi-Engine			
LR-25D		0	3
LR-25G		1	4
LR-29		0	0
LR-35A		1	8
LR-36A		1	1
LR-55		1	7
TOTAL		4	23

GULFSTREAM AEROSPACE

		Nov. 85	Cal. Year
● Multi-Engine			
GR-1159A	Gulfstream III	2	14
AE-840	Turbo Commander	0	1
AE-900	Commander 900	1	8
AE-980		0	0
AE-1000		2	29
TOTAL		5	52

ISRAEL AIRCRAFT INDUSTRIES

		Nov. 85	Cal. Year
● Multi-Engine			
1124	Westwind 1	0	0
1124A	Westwind 2	0	7
	Astra	0	1
TOTAL		0	8

LAKE AIRCRAFT

		Nov. 85	Cal. Year
● Single-Engine			
LA-4-200EP		0	6
LA-250	Renegade	1	14
TOTAL		1	20

MAULE AIR INC.

		Nov. 85	Cal. Year
● Single-Engine			
M-5-180C		1	23
M-5-200		0	0
M-5-235C	Lunar Rocket	0	1
M-6-235		0	5
M-7-180		1	19
M-7-235	Super Rocket	3	14
MX-7-235		3	19
TOTAL		8	81

Manufacturers net billing – $416,541

MITSUBISHI

	Nov. 85	Cal. Year
● Multi-Engine		
Solitaire	0	0
Marquise	1	5
Diamond	0	3
Diamond II	1	3
TOTAL	2	11

MOONEY AIRCRAFT CORP.

		Nov. 85	Cal Year
● Single-Engine			
M-20J	201	7	47
M-20K	231	3	32
TOTAL		10	79

PIPER AIRCRAFT CORP.

		Nov. 85	Cal Year
● Single-Engine			
PA-38-112	Tomahawk	0	0
PA-28-161	Warrior	8	92
PA-28-181	Archer II	6	84
PA-28-236	Dakota	0	19
PA-28RT-201T	Turbo Arrow IV	2	16
PA-32-301	Saratoga	2	30
PA-32R-301	Saratoga SP	2	14
PA-32R-301T	Turbo Saratoga SP	1	18
PA-46-310P	Malibu	10	95
● Multi-Engine			
PA-31-350	Chieftain	0	6
PA-31P-350	Mojave	0	12
PA-31-500	Cheyenne I	0	1
PA-31-500	Cheyenne IA	0	2
PA-42-720	Cheyenne III	0	1
PA-42-720	Cheyenne IIIA	1	8
PA-42-1000	Cheyenne 400LS	3	20
PA-34-220T	Seneca III	3	55
PA-44-180	Seminole	0	12
PA-44-180T	Turbo Seminole	0	5
PA-700P	Aerostar	0	7
PA-T1020		2	2
PA-T1040		0	1
TOTAL		40	498

Manufacturers net billing – $13,065,679

SHORT BROTHERS LTD.

		Nov. 85	Cal Year
● Multi-Engine			
SBJ-CS-7	Skyvan	0	0
SD-3-30		0	1
SD-3-60		1	16
TOTAL		1	17

	Nov. 85	Cal Year
SINGLE-ENGINE	124	1,460
MULTI-ENGINE	62	732
GRAND-TOTAL	186	2,192

UNIT SHIPMENTS COMPARATIVE TREND: 19 MANUFACTURERS

	November			Calendar Year to Date		
	1985	1984	1983	1985	1984	1983
Aerospatiale	14	*	*	80	*	*
Beech	20	27	24	254	376	352
British Aerospace	6	5	2	70	54	48
Britten-Norman	3	1	1	11	10	13
Canadair	0	*	2	6	16	24
Cessna	45	76	53	781	880	1,141
Dassault	2	*	2	18	23	24
De Havilland	3	11	2	34	31	12
Embraer	17	9	9	124	97	79
Fairchild	5	2	2	25	22	31
Gates	4	4	2	23	23	26
Gulfstream	5	8	8	52	44	59
Israel	0	1	0	8	12	7
Lake	1	2	3	20	25	24
Maule Air Inc.	8	6	1	81	52	1
Mitsubishi	2	1	2	11	13	35
Mooney	10	17	18	79	136	133
Piper	40	56	67	498	578	576
Short	1	1	3	17	28	29
TOTAL	186	223	201	2,192	2,420	2,614

* Figures not available.

C6240-1

Business and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION

Vol. 42 No. 1 January 6, 1986 Page 1

INSIDE

ASA, Rio Cease Negotiations..............Page 2
MAI Clearing Diamond Inventory.........Page 3
Product Liability Bill Detailed...........Page 4
Van Dusen Buyout Vote Delayed.........Page 5
Business Aviation Briefs......................Page 6

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

PRELIMINARY FIGURES SHOW DECLINE IN GA ACCIDENTS IN 1985

Figures for the first 11 months of 1985 show a marked decrease in both the total number of general aviation accidents and number of fatal GA accidents, which resulted in lower GA accident rates.

National Transportation Safety Board is expected to release its preliminary accident data for all of 1986 this week, but the 11-month data compiled by FAA shows 2,542 total general aviation accidents through November, compared to 2,999 during all of 1984. Number of fatal accidents through November was 450, resulting in an accident rate of 8.54 accidents per 100,000 flight hours and a rate of 1.51 fatal accidents per 100,000 flight hours. Those figures represent a significant improvement from the previous year. In 1984 there were 529 fatal GA accidents. Overall accident rate for the year was 9.82 per 100,000 flight hours while the fatal accident rate was 1.73 fatal accidents per 100,000 flight hours.

FAA REMOVES MOST OPERATING RESTRICTIONS FROM SF-340

Federal Aviation Administration last week removed most of the operating restrictions it had imposed on the SF-340 following a series of engine flameouts, clearing the way for the two largest U.S. operators of the planes to return them to service. FAA said that since imposition of the initial restrictions in mid-December (BA, Dec. 16/193), "the manufacturer has completed additional investigations which more clearly define the impact of a flameout and reignition during critical phases of flight." As a result, FAA said it is "removing the restrictions against operating the airplane in icing conditions or in other than day visual flight rules conditions below 10 degrees C.".

Operators must install a continuous ignition switch and replace the high-time igniter plug in each engine with a new igniter plug. Takeoffs will continue to be prohibited when there is slush on the runway. Engine and propeller anti-ice systems must be activated, along with the continuous ignition system, "during all operation in which icing could reasonably be expected to occur and for a period of five minutes after these conditions no longer exist." All flameout incidents must be recorded and inspections must be conducted after flameouts. FAA said the latest airworthiness directive "constitutes interim action pending further analysis of the problem which will result in additional rulemaking later."

Latest AD was issued late on Dec. 31 and the two largest U.S. SF-340 operators—Comair of Cincinnati and Air Midwest of Wichita—said they planned to phase in 340 flights over the weekend. Comair had 10 340s and two more were delivered on Dec. 31, while Air Midwest has five of the aircraft. Both carriers said they are discussing with Saab Aircraft reimbursement arrangements for the cost of complying with the ADs and for losses suffered when the aircraft were grounded.

CLOSING OF DE HAVILLAND SALE TO BOEING DELAYED

Consummation of the sale of Canadian aircraft manufacturer de Havilland Aircraft to Boeing has been delayed until the end of January because of heavy criticism from opposition members of the Canadian Parliament. The sale was announced in early December and closing of the deal had been expected by yearend (BA, Dec. 9/186).

The Conservative Canadian government, headed by Prime Minister Brian Mulroney, has been

(Continued on the following page)

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS GROUP PUBLICATIONS INC. COPYRIGHT © 1986 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

AIRPORT AND AIRWAY TRUST FUND
Status As Of Oct. 31, 1985

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	$ 7,432,256,743.43	$ 7,432,256,743.43
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund):		
Any liquid fuel except gas	8,291,000.00	8,291,000.00
Tires used on aircraft	0.00	0.00
Tubes used on aircraft	0.00	0.00
Gasoline		
1. Commercial 9 cents tax	232,000.00	232,000.00
2. Non-commercial 9 cents tax	1,861,000.00	1,861,000.00
3. Non-commercial 3 cents tax	592,000.00	592,000.00
4. Transp by air,seats,berths,etc.	229,978,000.00	229,978,000.00
Use of international trav fac	9,299,000.00	9,299,000.00
Transp of property and cargo	19,258,000.00	19,258,000.00
Total Tax Receipts	269,511,000.00	269,511,000.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	0.00	0.00
2. Any liquid fuel except gas	0.00	0.00
3. Gasoline -Retailer's tax	0.00	0.00
4. Gasoline -Manufac. tax	0.00	0.00
Total Reimburse For Tax Refunds	0.00	0.00
Net Tax Receipts	269,511,000.00	269,511,000.00
C. Interest on Investments	96,327.65	96,327.65
Net Receipts	269,607,327.65	269,607,327.65
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	-399.66	-399.66
2. Grants-in-aid for airports	72,871,959.91	72,871,959.91
3. Facilities & equipment	34,587,618.56	34,587,618.56
4. Research engineering & development	31,522,948.74	31,522,948.74
B. NOAA weather services	2,171,000.00	2,171,000.00
C. Interest on Refund of Taxes	0.00	0.00
Total Expenditures	141,153,127.55	141,153,127.55
IV. BALANCE - END OF PERIOD	7,560,710,943.53	7,560,710,943.53
ASSETS :		
Undisbursed Balances:		$
Airport & Airway Trust Fund	32.01	
Operations	9,989.42	
Grants-in-aid for Airports	-53,299,533.15	
Facilities & Equipment	-20,145,334.20	
Research Engineering & Development	-21,464,210.55	
NOAA weather services	8,219,000.00	
		$ -86,680,056.47
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS:		
10-3/4% maturing JUNE 30, 1986	$ 7,410,218,000.00	
10-3/8% maturing JUNE 30, 1986	237,173,000.00	
		7,647,391,000.00
Total Assets		7,560,710,943.53
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		$ 7,560,710,943.53
Total Liabilities and Equity		7,560,710,943.53

Treasury Department Chart

2 CC240-1

Business and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION

Vol. 42 No. 2 January 13, 1986 Page 9

INSIDE

FAA Issues Alcohol Test Rule..............Page 10
AiResearch Quitting Mod Business.........Page 11
Piedmont Links With Brockway.............Page 12
Final 1985 Shipment Figures..................Page 13
Business Aviation Briefs.......................Page 14

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

STRINGENT FAA BUDGET RESTRAINTS ORDERED BY ENGEN

FAA Administrator Donald Engen, faced with possibly substantial cuts in the agency's 1986 budget and the anticipated impact of the Gramm-Rudman bill, has imposed "severe constraints" on FAA operations, effective immediately. Engen told FAA managers to freeze all hiring and training except for aviation safety inspectors, controllers and security specialists "for an indefinite period." He said FAA "will not know exactly what its 1986 budget will be until early March. That will leave us with less than seven months to accommodate the reductions. Therefore, it is prudent to begin spending cutbacks immediately." He said furloughs and reductions-in-force "are possibilities."

Congress, in approving a catch-all spending resolution in December for agencies without separate appropriations, provided $2.694 billion for FAA operations, more than $20 million below the Administration's request for the agency, but substantially higher than an earlier Senate bill providing only $2.414 billion. In addition, Engen said the Gramm-Rudman bill "will significantly reduce fiscal 1986 funding levels in all appropriations." He ordered deferral of all technical training execpt for controllers, flight service specialists and maintenance technicians. All travel also was frozen except that related to maintenance and operation of the ATC system and regulatory and security functions. Overtime pay was limited to the same categories and new contractual studies also were to be deferred, as were most transfers within the agency "until further notice."

GA SHIPMENTS FELL 16 PERCENT TO JUST OVER 2,000 UNITS IN 1985

Shipments of new general aviation aircraft declined for the seventh consecutive year in 1985, falling to 2,032 units, a 16.4 drop from 1984 and the lowest annual total since before World War II. General Aviation Manufacturers Association said the industry had aircraft billings of $1.4 billion in 1985, down 15.9 percent from 1984's $1.69 billion when 2,432 new planes were delivered (BA, Jan. 14/9). December shipments totaled 195 aircraft valued at $230.9 million, compared to 281 units valued at $272.1 million in December of 1984 (see BA's compilation of worldwide aircraft shipments on Page 13).

GAMA President Ed Stimpson said the number of consolidations and mergers which took place in 1985 reflects "corporate confidence in the future of general aviation manufacturing," while possible loss of the investment tax credit and the "skyrocketing product liability costs" were "major blows" for the industry. Tom Smith, president of Fairchild Aircraft Corp. and chairman of GAMA for 1986, said while companies "buy airplanes for transportation, not tax advantages," repeal of the ITC would increase substantially the cost of aircraft ownership and remove "an important investment incentive." Stimpson said loss of the ITC would continue to change the capital investment picture for everyone involved, "affecting our business both in 1985 and the near future." As reported earlier, Stimpson said GAMA will not issue a forecast for 1986 (BA, Nov. 25/169).

REAGAN SHOWS SUPPORT FOR REMOVING DEDICATED FUNDS FROM BUDGET

Perhaps without meaning to, President Ronald Reagan made a strong case last week for removing revenues in certain dedicated trust funds--such as the Aviation Trust Fund--from the unified federal budget. Removal of the Aviation Trust Fund from the unified budget has been advocated by Sen. Nancy Kassebaum (R-Kan.), chairman of the Senate aviation subcommittee, and others who say funding for

(Continued on the following page)

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS GROUP PUBLICATIONS INC. COPYRIGHT © 1986 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

BUSINESS/PERSONAL AIRCRAFT INDUSTRY – DECEMBER UNIT SHIPMENTS

		Dec. 85	Cal. Year
AEROSPATIALE GENERAL AVIATION			
• Single-Engine			
TB9	Tampico	0	3
TB10	Tobago	11	33
TB20	Trinidad	18	66
TB21	Trinidad TC	3	7
R110		0	2
R180		0	1
R235		0	0
TOTAL		32	112
BEECH AIRCRAFT CORP.			
• Single-Engine			
BE-77	Skipper	0	0
BE-C23	Sundowner	0	1
BE-C24R	Sierra	0	0
BE-F33A	Bonanza	3	23
BE-A36	Bonanza	9	80
BE-V35B	Bonanza	0	0
BE-B36TC	Bonanza	1	16
• Multi-Engine			
BE-B55	Baron	0	0
BE-E55	Baron	0	1
BE-58	Baron	4	24
BE-58TC	Baron	0	1
BE-58P	Baron	2	14
BE-76	Duchess	0	5
BE-860	Duke	0	0
BE-C99	Airliner	0	0
BE-C90-1	King Air	2	25
BE-F90-1	King Air	1	4
BE-B100	King Air	0	0
BE-200	Super King Air	3	28
BE-200C	Super King Air	0	3
BE-300	Super King Air	5	42
BE-200T	Super King Air	0	0
BE-1900C	Commuter	4	21
TOTAL		34	288
Manufacturers net billing – $35,185,788.23			
BRITISH AEROSPACE			
• Multi-Engine			
BAe	Jetstream 31	6	34
HS-748		1	6
BAe 146-100		0	7
BAe 146-200		4	13
HS-125-800	Model A	3	19
HS-125-800	Model B	1	6
TOTAL		15	85
PILATUS BRITTEN-NORMAN LTD.			
• Multi-Engine			
BN-2B	Islander	4	15
BN-2T	Islander	2	2
Mark III	Trislander	0	0
TOTAL		6	17
CANADAIR			
• Multi-Engine			
CL-600	Challenger	0	0
CL-601	Challenger	3	9
TOTAL		3	9
CESSNA AIRCRAFT CO.			
• Single-Engine			
CE-152		0	90
CE-A152	Aerobat	2	21
CE-172	Skyhawk	15	182
CE-172	Cutlass	0	5
CE-172RG	Cutlass	1	12
CE-182	Skylane	5	89
CE-182	Turbo Skylane	0	1
CE-182RG	Skylane RG	2	16
CE-185RG	Turbo Skylane RG	2	14
CE-185	Skywagon	0	18
CE-U206	Stationair 6	1	43
CE-TU206	Turbo Stationair 6	1	27
CE-207	Stationair 8	0	0
CE-TU207	Turbo Stationair 8	0	0
CE-208	Caravan I	9	63
CE-210	Centurion	1	13
CE-T210	Turbo Centurion	6	55
CE-P210	Pressurized Centurion	4	30
CE-188	AgHusky	0	1
CE-188	AgTruck	0	0
• Multi-Engine			
CE-303	Crusader	0	15
CE-335		0	0
CE-340		1	5
CE-402		2	14
CE-404	Titan	0	0
CE-414	Chancellor	1	4
CE-421	Golden Eagle	0	2
CE-425	Conquest I	1	8
CE-441	Conquest II	1	13
CE-500	Citation I	0	6
CE-550S/II	Citation II	10	62
CE-650	Citation III	10	28
REIMS AVIATION			
• Single-Engine			
CE-F152		0	12
CE-F152	Aerobat	0	6
CE-F172	Skyhawk	2	4
CE-FR172	Hawk XP	0	0
CE-F182	Skylane	0	0
CE-F182RG	Skylane RG	0	0
TOTAL		77	859
Manufacturers net billing – $104,406,929			
AVIONS MARCEL DASSAULT			
• Multi-Engine			
AD-My.10	Falcon	1	1
AD-My.20	Falcon	0	1
AD-My.200	Falcon	2	9
AD-My.50	Falcon	2	12
TOTAL		5	23
DEHAVILLAND AIRCRAFT OF CANADA			
• Multi-Engine			
DHC-5		0	0
DHC-6		1	18
DHC-7		0	4
DHC-8		6	19
TOTAL		7	41
EMBRAER			
• Single-Engine			
EMB-200		0	0
EMB-201	Ipanema	3	30
EMB-710	Carioca (PA-28-235 Dakota)	0	6
EMB-711	Corisco (PA-28RT-201 Arrow)	3	21
EMB-712	Tupi (PA-28-181 Archer II)	1	8
EMB-720	Minuano (PA-32-310 Seratoga)	1	12
EMB-721	Sertanejo (PA-32R-301 Seratoga)	0	5
• Multi-Engine			
EMB-110	Bandeirante	1	8
EMB-120	Brasilia	2	6
EMB-121	Xingu	0	2
EMB-810D	Seneca II	5	41
EMB-820	Chieftain	1	2
TOTAL		17	141
FAIRCHILD AIRCRAFT CORP.			
• Multi-Engine			
Merlin III-C		1	4
Fairchild 30		0	0
Merlin IV-C		0	1
Metro III		7	20
Expediter		2	10
TOTAL		10	35
GATES-LEARJET			
• Multi-Engine			
LR-25D		1	3
LR-25G		0	4
LR-29		0	0
LR-35A		0	8
LR-36A		5	1
LR-55		4	7
TOTAL		10	33

		Dec. 85.	Cal. Year
GULFSTREAM AEROSPACE			
• Multi-Engine			
GR-1159A	Gulfstream III	1	15
AE-840	Turbo Commander	0	1
AE-900	Commander 900	0	8
AE-980		0	0
AE-1000		0	29
TOTAL		1	53
ISRAEL AIRCRAFT INDUSTRIES			
• Multi-Engine			
1124	Westwind 1	4	5
1124A	Westwind 2	4	8
	Astra	0	1
TOTAL		8	14
LAKE AIRCRAFT			
• Single-Engine			
LA-4-200EP		0	6
LA-250	Renegade	3	17
TOTAL		3	23
Manufacturers net billing – $650,021			
MAULE AIR INC.			
• Single-Engine			
M-5-180C		3	26
M-5-200		0	0
M-5-235C	Lunar Rocket	0	1
M-6-235		0	5
MX-7-180		2	20
M-7-235	Super Rocket	2	13
MX-7-235		1	23
TOTAL		8	88
MITSUBISHI			
• Multi-Engine			
Solitaire		1	1
Marquise		0	5
Diamond		9	12
Diamond II		3	6
TOTAL		13	24
MOONEY AIRCRAFT CORP.			
• Single-Engine			
M-20J	201	1	48
M-20K	231	9	41
TOTAL		10	89

		Dec. 85	Cal. Year
PIPER AIRCRAFT CORP.			
• Single-Engine			
PA-38-112	Tomahawk	0	0
PA-28-161	Warrior	9	101
PA-28-181	Archer II	9	93
PA-28-236	Dakota	1	20
PA-28RT-201T	Turbo Arrow IV	2	18
PA-32-301	Saratoga	3	33
PA-32R-301	Saratoga SP	1	15
PA-32R-301T	Turbo Saratoga SP	1	19
PA-46-310P	Malibu	7	102
• Multi-Engine			
PA-31-350	Chieftain	1	7
PA-31P-350	Mojave	1	13
PA-31-500	Cheyenne I	0	1
PA-31-500	Cheyenne IA	0	2
PA-42-720	Cheyenne III	0	1
PA-42-720	Cheyenne IIIA	0	6
PA-42-1000	Cheyenne 400LS	1	21
PA-34-220T	Seneca III	5	60
PA-44-180	Seminole	0	12
PA-44-180T	Turbo Seminole	0	5
PA-700P	Aerostar	0	7
PA-T1020		1	3
PA-T1040		0	1
TOTAL		42	540
Manufacturers net billing – $7,579,388			
SHORT BROTHERS LTD.			
• Multi-Engine			
SBJ-CS-7	Skyvan	0	0
SD-3-30		0	1
SD-3-60		4	20
TOTAL		4	21
	SINGLE-ENGINE	158	1,618
	MULTI-ENGINE	147	878
	GRAND-TOTAL	305	2,496

UNIT SHIPMENTS COMPARATIVE TREND: 19 MANUFACTURERS

	December			Calendar Year to Date		
	1985	1984	1983	1985	1984	1983
Aerospatiale	32	*	*	112	*	*
Beech	34	35	50	288	401	402
British Aerospace	15	6	8	85	60	56
Britten Norman	6	3	7	17	13	20
Canadair	3	3	3	9	21	27
Cessna	77	98	77	859	978	1,216
Dassault	5	2	1	23	25	25
DeHavilland	7	2	0	41	33	12
Embraer	17	12	19	141	109	98
Fairchild	10	7	15	35	29	39
Gates	10	10	19	33	33	45
Gulfstream	1	6	9	53	50	68
Israel	8	4	11	14	16	21
Lake	3	4	4	23	29	28
Maule Air Inc.	8	12	1	88	64	2
Mitsubishi	13	2	8	24	15	43
Mooney	10	15	18	89	151	151
Piper	42	86	85	540	664	660
Short	4	7	5	21	35	34
	305	314	324	2,496	2,736	2,981

* Figures not available

1/22/86 C6240-1

Business and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION

Vol. 42 No. 3 January 20, 1986 Page 17

INSIDE

King Radio President Named...............Page 18
Command Becoming AA Eagle.............Page 19
Medical Kit Rule Issued.......................Page 20
Business Aviation Briefs.......................Page 21
Marketplace..Page 24

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

NTSB REPORTS GENERAL AVIATION HAD BEST SAFETY YEAR IN 1985

General aviation had its best safety year in 1985 and commuter air carriers also showed improvement, but nonscheduled air taxi operators recorded their worst year since 1981, according to figures released last week by the National Transportation Safety Board.

As indicated earlier by FAA statistics (BA, Jan. 6/1), NTSB said general aviation "significantly improved its record last year," achieving record lows in accident totals and rates. Number of accidents fell 8.9 percent to 2,742, number of fatal accidents decreased 10 percent to 490 and number of fatalities in general aviation accidents dropped 15.8 percent to 937—the first year general aviation recorded fewer than 3,000 total accidents and the first time fatalities were below the 1,000 mark (see related item on Page 21). At the same time the number of accidents was down, aircraft hours flown increased slightly, resulting in sharp drops in GA accident rates (see charts on the back of Pages 18-21).

Scheduled commuter air carriers operating under Part 135 had six fatal accidents that resulted in 35 fatalities in 1985, compared with seven fatal accidents and 48 fatalities in 1984. NTSB said there were 0.25 fatal commuter accidents last year in every 100,000 departures, adding that "this was a 3.8 percent reduction from 1984 and it matched the 1982 second lowest rate that commuters had achieved. Their record low was 0.13 in 1983 and their 10-year rate through 1984 was 0.473."

On-demand air taxis had more accidents and significantly higher numbers of fatal accidents and fatalities in 1985. Total accidents increased to 153 from 146 in 1984, the number of fatal accidents was up 52 percent to 35 and number of fatalities rose 48 percent to 77. As a result, the air taxi rate of 1.12 fatal accidents per 100,000 aircraft hours was up 49 percent over the rate of 0.75 per 100,000 hours in 1984.

U.S. air carrier operations (large aircraft in both scheduled and charter service) recorded their second worst year with 526 fatalities, second only to the 655 fatalities in 1977. Scheduled air carrier operations accounted for 197 of the total fatalities with four fatal accidents, resulting in a rate of 0.071 fatal accidents per 100,000 aircraft departures, compared with the 1984 rate of 0.019 per 100,000 departures. Their rate over the past 10 years has been 0.055.

There were three fatal U.S. charter accidents involving Part 121 carriers, resulting in 329 fatalities, including the 256 military personnel killed in the takeoff crash of an Arrow Airways DC-8 from Gander, Newfoundland in December. There were no fatal accidents involving U.S. charter carriers in 1984. The 1985 accidents produced a rate of 1.887 fatal accidents per 100,000 aircraft departures, while the 1976-84 rate was 0.483 fatal accidents per 100,000 departures.

PIAGGIO TO GO IT ALONE AFTER LEARJET OPTS OUT OF AVANTI PROGRAM

Italian aircraft manufacturer Rinaldo Piaggio (S.p.A) will continue development of the GP-180 Avanti aircraft by itself, following a decision by Gates Learjet Corp. to terminate its connection with the program. The decision by Learjet to cease its involvement in the Avanti program has been expected for months because of Learjet's slumping sales and financial problems.(BA, Sept. 30/106).

Learjet has been building the first three GP-180 fuselages and the first of those—which will be used for static tests—arrived in Genoa, Italy early this month and was mated with the wing, which was

(Continued on the following page)

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS GROUP PUBLICATIONS INC. COPYRIGHT © 1986 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

ACCIDENTS, FATALITIES, AND RATES
U.S. GENERAL AVIATION +
1975-1985

	Accidents				Accident Rates Per 100,000 Aircraft Hours	
Year	Total	Fatal	Fatalities #	Aircraft Hours Flown **	Total	Fatal
1975	3995	633	1252	28,799,000	13.87	2.20
1976	4018	658	1216	30,476,000	13.18	2.16
1977	4079	661	1276	31,577,508	12.92	2.09
1978	4216	719	1556	34,887,178	12.08	2.06
1979	3818	631	1221	38,641,268	9.88	1.63
1980	3590	618	1239	36,401,663	9.86	1.70
1981	3500	654	1282	36,803,200	9.51	1.78
1982	3231	589	1182	32,094,623	10.07	1.84
1983	3060	554	1081	31,047,548	9.86	1.78
1984	3011	545	1114	31,510,053	9.56	1.73
1985P	2742	490	937	32,023,000	8.56	1.53

P Preliminary data.

+ All operations other than those conducted under 14 CFR 121 or 14 CFR 135.

Includes air carrier fatalities when in collision with General Aviation aircraft.

** Source of estimate: FAA.

ACCIDENTS, FATALITIES, AND RATES
U.S. AIR CARRIERS OPERATING UNDER 14 CFR 135
NONSCHEDULED OPERATIONS
(ON-DEMAND AIR TAXIS)
1975-1985

	Accidents				Accident Rates Per 100,000 Aircraft Hours	
Year	Total	Fatal	Fatalities	Aircraft Hours Flown *	Total	Fatal
1975	152	24	69	2,526,271	6.02	0.95
1976	137	31	100	2,703,203	5.07	1.15
1977	158	31	118	3,304,220	4.78	0.94
1978	198	54	155	3,545,753	5.58	1.52
1979	160	30	77	3,684,321	4.34	0.81
1980	171	46	105	3,617,724	4.73	1.27
1981	157	40	94	2,895,827	5.42	1.38
1982	132	31	72	3,256,763	4.05	0.95
1983	140	27	62	2,574,883	5.44	1.05
1984	146	23	52	3,079,007	4.74	0.75
1985P	153	35	77	3,131,000	4.89	1.12

P Preliminary data.

* Source of estimate: FAA

FATAL ACCIDENTS AND FATALITIES
U.S. AIR CARRIERS OPERATING UNDER 14 CFR 135
ALL SCHEDULED SERVICE
(COMMUTER AIR CARRIERS)
1985 (PRELIMINARY DATA)

					Fatalities					
Date	Location	Operator	Service	Aircraft	Psgr	Crew	Other	Total	Total Aboard	Reported Type of Accident
2/4	Soldotna, AK	North Pacific Airways	Pasg/ Cargo	Beech 65	7	2	0	9	9	Collided with trees 1.5 miles from airport during VOR approach.
2/6	Altus, OK	Altus Airline	Pasg	Cessna 402B	1	1	0	2	2	Crashed during approach to emergency landing with engine fire.
4/26	New York, NY	New York Helicopter	Pasg	Aerospatiale SA-360C	1	0	0	1	8	Crashed into river, 50 feet from heliport, following takeoff.
7/18	San Juan, PR	Flamenco Airways	Pasg/ Cargo	Piper PA-32	0	0	1	1	2	Collided with vehicle, killing ground crewman.
8/25	Lewiston, ME	Bar Harbor Airlines	Pasg	Beech 99	6	2	0	8	8	Struck trees short and to the right of runway during instrument approach.
9/23	Grottoes, VA	Henson Aviation	Pasg	Beech 99	12	2	0	14	14	Flew into side of ridge during instrument approach.

BUSINESS AVIATION BRIEFS

NATIONAL TRANSPORTATION SAFETY BOARD report on 1985 accident statistics did not include a breakdown of corporate/executive accidents, but NTSB officials told BA there were 27 accidents, including 10 fatal accidents, that resulted in 22 fatalities last year. Robert Brieling, of Robert Brieling Associates of Dallas, said his compilation of 1985 corporate/executive accidents showed 25 accidents, including eight fatal mishaps that resulted in 20 fatalities. Brieling has been actively involved in safety matters and analysis of accident data for many years.

* * *

ORGANIZERS OF THE ASIAN AEROSPACE SHOW in Singapore are talking about an even larger exposition in 1988 than the one going on this month. Officials last week said they plan to double the size of the display area in 1988 and are seriously considering the possibility of having flight demonstrations.

* * *

FLIGHTSAFETY INTERNATIONAL said Friday that FAA has approved the company's Model 222 Bell Helicopter simulator for pilot training and checking under Part 135 of the Federal Aviation Regulations. The company said the Model 222 unit is the first helicopter simulator ever to receive FAA approval. Simulator was developed, designed and manufactured by FSI's Simulation System Division in Tulsa, Okla. It features a six degree of freedom motion base and full color digital visual display system. It is located at FSI's Bell Helicopter training center in Hurst, Texas. adjacent to Bell's headquarters facility.

* * *

SAAB AIRCRAFT OF AMERICA said Republic Express Airlines has ordered three additional SF-340 aircraft valued at $20 million, bringing the carrier's total order to eight aircraft. Three of the planes, which are configured for 30 passengers, have already been delivered and the remainder are scheduled for delivery this year. Republic Express feeds Republic Airlines flights at Memphis, Tenn. and Minneapolis, Minn.

* * *

IMPERIAL AIRLINES, Carlsbad, Calif., has temporarily ceased operations and apparently is being sold to an undisclosed buyer. A source within the company said President James Harmon is expected to stay on as a consultant. Veteran California commuter operator Hank Voss is reported to be in line to run the company when it resumes operations. Imperial operated routes linking Los Angeles, Bakersfield, Orange County, San Diego and Santa Barbara.

* * *

SIMMONS AIRLINES boarded 748,217 passengers in 1985, nearly double the 376,419 boarded in 1984. Simmons said its available seat miles were up 70 percent last year to 294.6 million and revenue passenger miles jumped 86 percent to 130.1 million. In December the carrier boarded 79,495 passengers compared to 32,257 in December of 1984.

* * *

NATIONAL BUSINESS AIRCRAFT ASSOCIATION and Business and Commercial Aviation magazine will present the first three sessions of a new seminar in March. Seminar leader Fred George of B/CA will discuss "Increasing Management Mobility Through Effective Flight Operations" on March 10 in White Plains, N.Y.; on March 12 in Dallas; and, March 14 in San Francisco. For details on locations and times, contact Ann Devers at NBAA at (202) 783-9000.

* * *

PSA INC. announced Friday the public offering of its 14 percent senior notes due Jan. 15, 1993. Net proceeds will be used to retire debt, redeem preferred stock and acquire aircraft from Pacific Southwest Airlines. The aircraft are to be leased back to the airline. E.F. Hutton acted as sole underwriter for the offering.

ACCIDENTS, FATALITIES, AND RATES U.S. AIR CARRIERS OPERATING UNDER 14 CFR 121

ALL NONSCHEDULED SERVICE
(AIRLINES*)
1975-1985

	Accidents						Accident Rates Per Million Aircraft Miles		Per 100,000 Aircraft Hours		Per 100,000 Departures	
Year	Total	Fatal	Fatalities	Aircraft Miles Flown #	Aircraft Hours Flown #	Departures #	Total	Fatal	Total	Fatal	Total	Fatal
1975	8	1	2	84,187,000	184,929	n/a	0.095	0.012	4.326	0.541	n/a	n/a
1976	2	0	0	99,294,000	218,953	88,502	0.020	0.	0.913	0.	2.260	0.
1977	5	2	577	106,383,000	240,834	108,340	0.047	0.019	2.076	0.830	4.615	1.846
1978	2	0	0	88,197,000	202,883	96,351	0.023	0.	0.986	0.	2.076	0.
1979	6	1	3	68,018,000	165,817	86,550	0.088	0.015	3.618	0.603	6.932	1.155
1980	4	1	1	107,931,000	269,890	126,425	0.037	0.009	1.482	0.371	3.164	0.791
1981	1	0	0	95,356,000	238,967	117,182	0.010	0.	0.418	0.	0.853	0.
1982	4	1	1	105,547,000	262,088	130,414	0.038	0.009	1.526	0.382	3.067	0.767
1983	2	0	0	114,017,000	281,555	133,161	0.018	0.	0.710	0.	1.502	0.
1984	4	0	0	127,464,000	320,251	147,838	0.031	0.	1.249	0.	2.706	0.
1985P	6	3	329	133,000,000	333,000	159,000	0.045	0.023	1.802	0.901	3.774	1.887

ALL SCHEDULED SERVICE
(AIRLINES*)
1975-1985

	Accidents						Accident Rates Per Million Aircraft Miles		Per 100,000 Aircraft Hours		Per 100,000 Departures	
Year	Total	Fatal	Fatalities	Aircraft Miles Flown #	Aircraft Hours Flown #	Departures #	Total	Fatal	Total	Fatal	Total	Fatal
1975	29	2	122	2,240,506,000	5,422,429	4,704,710	0.013	0.001	0.535	0.037	0.616	0.043
1976	21	2	38	2,319,997,000	5,587,776	4,832,664	0.009	0.001	0.376	0.036	0.435	0.041
1977	19	3	78	2,418,645,000	5,798,873	4,936,519	0.008	0.001	0.328	0.052	0.385	0.061
1978	20	5	160	2,520,165,000	6,031,743	5,015,939	0.008	0.002	0.332	0.083	0.399	0.100
1979	23	4	351	2,791,120,000	6,713,094	5,399,652	0.008	0.001	0.343	0.060	0.426	0.074
1980	15	0	0	2,816,303,000	6,797,578	5,352,927	0.005	0.	0.221	0.	0.280	0.
1981	25	4	4	2,703,219,000	6,571,288	5,211,867	0.009	0.001	0.380	0.061	0.480	0.077
1982	14	3	233	2,698,928,000	6,440,163	4,963,794	0.005	0.001	0.217	0.047	0.282	0.060
1983	23	4	15	2,808,566,000	6,649,009	5,033,906	0.008	0.001	0.346	0.060	0.457	0.079
1984	14	1	4	3,113,604,000	7,365,435	5,396,766	0.004	0.0003	0.190	0.014	0.259	0.019
1985P	18	4	197	3,298,000,000	7,831,000	5,637,000	0.005	0.001	0.230	0.051	0.319	0.071

P Preliminary data.

* Includes accidents involving deregulated all cargo air carriers and commerical operators of large aircraft when those accidents occurred during scheduled 14 CFR 121 operations.

Exposure data estimate source: RSPA

REGIONAL-COMMUTER CARRIERS TRAFFIC
11 Months 1985

	Passengers	% Change	Revenue Passenger Miles	% Change	Available Seat Miles	% Change	Load Factor 1985	% 1984
*Air Kentucky	82,666	-13.9	11,299,040	-10.1	30,093,195	-5.1	-	39.6
*Air Midwest	555,158	26.8	106,599,099	28.0	262,005,692	32.9	-	42.2
*Air Wisconsin	1,237,22[illegible]	-	219,686,877	-	515,704,100	-	-	-
Alpine Air	1,969	-	384,620	-	1,652,360	-	23.3	-
Aspen Airways	509,390	-	104,976,000	-	214,198,000	-	49.0	37.3
Atlantic Southeast	901,203	60.9	155,497,995	74.4	362,753,856	122.8	42.9	-
Atlantis Airlines	83,718	8.4	16,571,000	23.1	39,901,000	10.7	41.5	37.3
B.A.S. Airlines	7,663	-30.6	1,152,429	-30.5	2,082,848	-42.1	55.3	46.1
Big Sky	54,873	7.9	12,030,987	5.0	25,759,701	6.0	46.7	47.1
Brockway Air	305,082	-	54,823,345	-	137,103,280	-	40.0	-
CCAir	130,916	-	14,336,318	-	36,277,650	-	39.5	-
Cascade	313,868	-10.0	79,208,668	3.6	188,511,335	19.2	42.0	48.3
Chaparral	167,178	9.5	33,337,000	5.1	-	-	-	-
*Chautauqua Airlines	302,552	-	40,932,790	-	76,156,232	-	-	-
Christman Air System	32,719	5.2	5,104,175	-10.8	18,933,153	13.1	27.0	34.2
Comair	588,002	56.2	115,457,825	53.5	276,528,666	52.7	41.8	41.6
Command Airways	244,098	1.7	35,028,300	3.9	90,367,900	7.9	38.8	40.3
Crown Airways	244,062	26.4	19,363,717	22.2	42,357,360	24.1	45.7	46.4
Direct Air	3,489	46.4	506,548	52.9	1,817,560	39.9	27.9	25.5
Empire Airlines	1,197,745	21.0	266,100,457	20.1	651,740,899	27.1	40.8	43.2
Golden Pacific	23,376	15.0	2,581,440	7.9	8,791,312	5.4	29.4	28.7
Grand Canyon Airline	43,525	-	5,620,645	-	-	-	-	-
*Gull Air	161,182	-23.4	11,541,988	-16.9	-	-	-	51.1
Harbor Airlines	18,158	-	1,053,164	-	2,225,716	-	47.3	-
Henson Airlines	801,958	18.4	111,425,311	24.2	238,866,402	17.1	46.6	44.0
Horizon	860,821	24.1	181,677,884	32.2	360,851,511	33.3	50.3	50.8
Mesaba Airlines	119,225	-	25,687,280	-	62,083,129	-	41.4	-
Metro Airlines	1,016,491	33.4	190,563,822	57.6	338,647,261	46.4	56.3	52.3
Mid Pacific	1,245,465	-0.1	164,369,999	5.8	260,587,480	11.9	63.1	66.7
Midstate	320,757	-	71,440,000	-	-	-	-	-
Pacific Coast	116,433	-10.7	26,256,916	-	44,371,988	986.2	59.2	-
Penn. Commuter	449,574	4.4	51,660,775	2.6	98,123,962	3.5	52.6	53.1
Pilgrim Airlines	346,743	25.0	64,307,351	28.2	159,960,216	31.8	40.2	41.3
Pocono Airlines	197,432	11.1	26,883,759	14.7	49,944,394	12.0	53.8	52.6
Ransome Airlines	566,148	40.7	83,735,653	32.3	193,614,963	26.0	43.2	-
ResortAir	71,982	-	10,836,395	-	28,267,864	-	38.3	-
Royal Hawaiian	187,164	1.3	14,302,471	-4.2	31,386,021	-5.7	45.6	44.8
Royale Airlines	380,097	3.0	69,617,134	-3.8	150,009,657	-29.6	46.4	34.0
Scenic	88,657	-3.4	15,961,260	-3.5	22,584,420	3.6	70.7	75.9
Sky West/Sun Aire	639,425	-	99,152,919	-	215,269,530	-	46.1	-
Suburban Airlines	362,276	13.4	38,637,102	33.2	87,069,804	29.7	44.4	43.2
*Sunaire	69,135	-	7,420,178	-	-	-	-	-
*Trans Air	125,595	-	20,346,694	-	39,662,206	-	-	-
Valley Airline	6,204	-8.0	1,212,503	-5.2	3,183,183	-2.1	38.1	39.4
*Wings West	319,182	-4.4	52,462,805	24.9	111,072,522	52.2	-	-

* January - October only.

1/27/86 C6240-1

Business
and commercial **Aviation**

THE WEEKLY OF
BUSINESS AVIATION

Vol. 42 No. 4 January 27, 1986 Page 25

INSIDE

Fairchild Continues T-46 Push............Page 26
Air Wis Plans Dulles Hub...................Page 27
NTSB Urges GA Seat Improvements....Page 28
Business Aviation Briefs.....................Page 29
Marketplace..Page 32

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

FAA POLICY STATEMENT ADDRESSES AIRPORT RESTRICTIONS, GRANTS

Federal Aviation Administration last week published a wide-ranging policy proposal regarding airport access and capacity that seeks to tie airport grants to assurances from airports not to impose operating restrictions that reduce capacity. In addition, it would require any proposed restrictions to be submitted to FAA for review (see complete proposal on the back of Pages 26-28).

Noise compatibility programs remain the responsibility of the airport operator, who is liable for any damages resulting from operation of the airport, said the agency. But "control of individual aircraft noise emissions and navigable airspace are federally preempted areas and are solely FAA responsibilities." Noise programs may include not only traditional areas, such as flight procedures, airport design and land use compatibility measures, but also extension of control over adjacent lands and land uses, said the agency. Airport use restrictions "may be considered only when other less restrictive alternatives are clearly shown to be inadequate and less effective." FAA will give priority in making grants for noise abatement purposes to airports that have undertaken Part 150 noise compatibility studies.

FAA said future airport grant agreements may seek assurances from airports to provide adequate landside capacity to handle airside capacity of runways and taxiways constructed with federal assistance. Landside capacity may not be used as a basis for "arbitrarily denying airport access to existing or potential users," said FAA. Agency will work with local sponsors to identify and implement capacity-increasing development but will not permit federal funds to be spent on land areas leased by airports on an exclusive basis. FAA will work with regional airport authorities to develop specialized uses for individual airports under their jurisdiction.

FAA said its general approach to access and capacity issues is based on the concept of shared responsibility for the airport and airway system. FAA is responsible for safe and efficient use of airspace, including airport runways and taxiways, but airport proprietors are responsible for provision of airport capacity. "We should strive to develop and operate a system of airports and airways with minimum restrictions," said the proposal.

LEARJET TO RETAIN BOTH PLANTS, BUT FURTHER CONSOLIDATION EXPECTED

Gates Learjet Corp. scrapped plans last week to consolidate all aircraft manufacturing operations at one of its two plants, even though the company has cut its employment by nearly 25 percent in the last few months and further cuts appear likely. Learjet said in November it would consolidate all manufacturing operations in Wichita (BA, Nov. 18/161), but last Thursday said it will continue manufacturing both there and in Tucson, Ariz. President James B. Taylor said an "exhaustive study...provided conclusive proof that...both the Tucson and Wichita facilities are necessary to achieve our objectives."

Number of Learjet employes has fallen from 1,955 in late October to 1,520 last week, including 868 in Wichita and 662 in Tucson. Production of new commercial aircraft has been suspended since mid-December. Activity since then concentrated on finishing aircraft that were already on the production line. Spokesman said officials are now "developing a personnel staffing plan" to determine

(Continued on the following page)

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS
GROUP PUBLICATIONS INC. COPYRIGHT @ 1986 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED.
REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

REVISED AIRPORT AND AIRWAY TRUST FUND
Status As Of Oct. 31, 1985

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	$ 7,425,506,743.43	$ 7,425,506,743.43
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund):		
Any liquid fuel except gas	8,291,000.00	8,291,000.00
Tires used on aircraft	0.00	0.00
Tubes used on aircraft	0.00	0.00
Gasoline		
1. Commercial 9 cents tax	232,000.00	232,000.00
2. Non-commercial 9 cents tax	1,861,000.00	1,861,000.00
3. Non-commercial 3 cents tax	592,000.00	592,000.00
4. Transp by air,seats,berths,etc.	229,978,000.00	229,978,000.00
Use of international trav fac	9,299,000.00	9,299,000.00
Transp of property and cargo	19,258,000.00	19,258,000.00
Total Tax Receipts	269,511,000.00	269,511,000.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	0.00	0.00
2. Any liquid fuel except gas	0.00	0.00
3. Gasoline -Retailer's tax	0.00	0.00
4. Gasoline -Manufac. tax	0.00	0.00
Total Reimburse For Tax Refunds	0.00	0.00
Net Tax Receipts	269,511,000.00	269,511,000.00
C. Interest on Investments	96,327.65	96,327.65
Net Receipts	269,607,327.65	269,607,327.65
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	-399.66	-399.66
2. Grants-in-aid for airports	72,871,959.91	72,871,959.91
3. Facilities & equipment	34,587,618.56	34,587,618.56
4. Research engineering & development	31,522,948.74	31,522,948.74
B. NOAA weather services	2,171,000.00	2,171,000.00
C. Interest on Refund of Taxes	0.00	0.00
Total Expenditures	141,153,127.55	141,153,127.55
IV. BALANCE - END OF PERIOD	7,553,960,943.53	7,553,960,943.53

ASSETS :		
Undisbursed Balances:		$
Airport & Airway Trust Fund	32.01	
Operations	9,989.42	
Grants-in-aid for Airports	-53,299,533.15	
Facilities & Equipment	-20,145,334.20	
Research Engineering & Development	-21,464,210.55	
NOAA weather services	1,469,000.00r	
		$ -93,430,056.47
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS:		
10-3/4% maturing JUNE 30, 1986	$ 7,410,218,000.00	
10-3/8% maturing JUNE 30, 1986	237,173,000.00	
		7,647,391,000.00
Total Assets		7,553,960,943.53
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		$ 7,553,960,943.53
Total Liabilities and Equity		7,553,960,943.53

r=revised

Treasury Department Chart

CL24D-1

Business
and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION

Vol. 42 No. 5 February 3, 1986 Page 33

INSIDE

Horizon Halts Cascade Merger............Page 34
Air Taxis Pass Safety Audit...............Page 35
ATR 72 Given Go Ahead....................Page 36
Business Aviation Briefs....................Page 37
Marketplace......................................Page 40

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

GRAMM-RUDMAN EXPECTED TO HAVE MAJOR IMPACT ON FAA BUDGETS

The structure of the Federal Aviation Administration and the services it provides might undergo major changes as a result of funding cuts expected in the Reagan Administration's fiscal 1987 budget, to be unveiled this week. The catalyst for budget cuts is the Gramm-Rudman deficit reduction legislation, which may open the door for drastic policy shifts that would be politically impossible to achieve otherwise.

Copies of the FY 1987 budget are not scheduled for release until this Wednesday, but officials of Washington-based aviation groups anticipate the industry will face an uphill battle to retain funding for a number of important FAA programs. FAA Administrator Donald Engen has already imposed "severe constraints" on agency spending to meet the Gramm-Rudman requirement of a 4.3 percent reduction in spending this year (BA, Jan. 13/9). The FY 1986 cutbacks are minor, however, compared to the estimated 20-25 percent reductions that will be required in FAA's budget in FY 1987 as the government struggles to meet the Gramm-Rudman limit of a maximum deficit of $144 billion.

Cuts In Many Programs Anticipated

Discussions with aviation interest groups last week indicated the Reagan Administration's FY 1987 budget will call for: elimination of interest payments on money in the Aviation Trust Fund; closure of low-activity control towers and flight service stations; possible "contracting-out" of some maintenance functions now performed by FAA personnel; elimination of all funding for the Essential Air Service program; and, reductions in major spending categories such as airport grants and facilities and equipment, which is the budget category covering spending for modernization of the national airspace system. In addition, it is expected the Administration may seek imposition of a whole new series of user charges on beneficiaries of specific FAA services.

A coalition of groups, ranging from the scheduled airlines to general aviation, is scheduled to present a joint statement today before the Senate aviation subcommittee to shield some FAA programs from Gramm-Rudman. Legislation offered by Sen. Nancy Kassebaum (R-Kan.) would exempt those portions of the FAA budget that are paid for by Aviation Trust Fund revenues from the requirements of the Gramm-Rudman legislation (BA, Dec. 23/202). The Trust Fund pays the entire cost of the Airport Improvement Program, facilities and equipment expenditures and research and development, plus a significant share of FAA's operations and maintenance expenditures, which includes controller salaries.

Kassebaum Bill Called 'Rallying Point'

Despite the expected show of support for Kassebaum's bill, questions remain about the likelihood of passage and the wisdom of such action. Both Kassebaum and industry officials acknowledge it will be very difficult to get the measure through Congress and some observers say the bill is more of a "rallying point" for the industry than a serious effort to get her bill passed. In addition, if the bill is enacted, it could mean any Gramm-Rudman-related budget cuts at FAA would come out of programs funded with general revenues--such as operations and maintenance--rather than being spread across all FAA activities. This would mean the most essential FAA functions--such as air traffic control, safety

(Continued on the following page)

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS
GROUP PUBLICATIONS INC. COPYRIGHT @ 1986 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED.
REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

1985 GAMA SHIPMENTS

	Units	Billings
Single Engine	1,371	$124 Million
Multi-Engine	193	$ 66 Million
Turboprop	324	$520 Million
Jet	144	$709 Million
Total	2,032	$1.42 Billion

GAMA Chart

AIRESEARCH AVIATION COMPANY, the modification, completion and retrofit center for Garrett General Aviation Services Company, has received a designated alteration station certificate from the FAA's Northwest Mountain Region. Under the terms of the certificate, the second issued in that region, AiResearch is able to approve and certify all work in-house.

* * *

CAE ELECTRONICS LTD. has received an order from Boeing Commercial Airplane Company for two simulators, one a full flight with six-axis motion system, the other with a fixed base. Manufacturer also received an order from KLM Royal Dutch Airlines for a full flight simulator in glass cockpit configuration with full digital avionics. Total value of the three simulators which will be used on 737-300 aircraft, is $15 million.

* * *

AEROQUEST CORPORATION has named three new full-service dealers for its advanced technology electronic takeoff system: United Beechcraft, Inc. at Mid-Continent Airport, Wichita; Will Rogers Airport, Oklahoma City; and Stevens Aviation, Greenville-Spartanburg Airport, Greer, S.C. Takeoff system has a sensor attached to the left main gear which reads actual wheel rotation allowing it to measure acceleration, velocity and distance.

* * *

AEROSPACE INDUSTRIES ASSOCIATION has made available its 1985/86 Directory of Helicopter Operators in the United States, Mexico, and Puerto Rico. Priced at $10.95 each, directories can be ordered from AIA, Suite 700, 1725 DeSales Street, N.W., Washington, D.C. 20036; (202) 429-4848.

* * *

AUSTRALIAN AIRCRAFT SALES has sold the last of its 29 Fokker F27-100 series aircraft. Aircraft along with a spare engine, was sold to Great Aircruise Company of Sydney, Australia.

* * *

MID PACIFIC AIR flew 16 million revenue passenger miles during the month of December, a 37 percent increase over the 11.6 million flown a month earlier. Airline carried 118,393 passengers for the month, an increase of 29 percent from the same period in 1985 when the airline carried 91,748 passengers.

* * *

CHARTS detailing new civil aircraft shipments in 1985 by members of the General Aviation Manufacturers Association, along with a depiction of military business received by GAMA members during the year, are reprinted on the back of Pages 38-39.

* * *

WESTERN AIRCRAFT MAINTENANCE, INC. has been chosen the exclusive worldwide distributor for the hydraulic landing gear system developed by Aviadesign, Inc. System is accepted as a retrofit replacement for original electric landing gear systems on King Air, Merlin II, Queen Air, and Beech 99 aircraft.

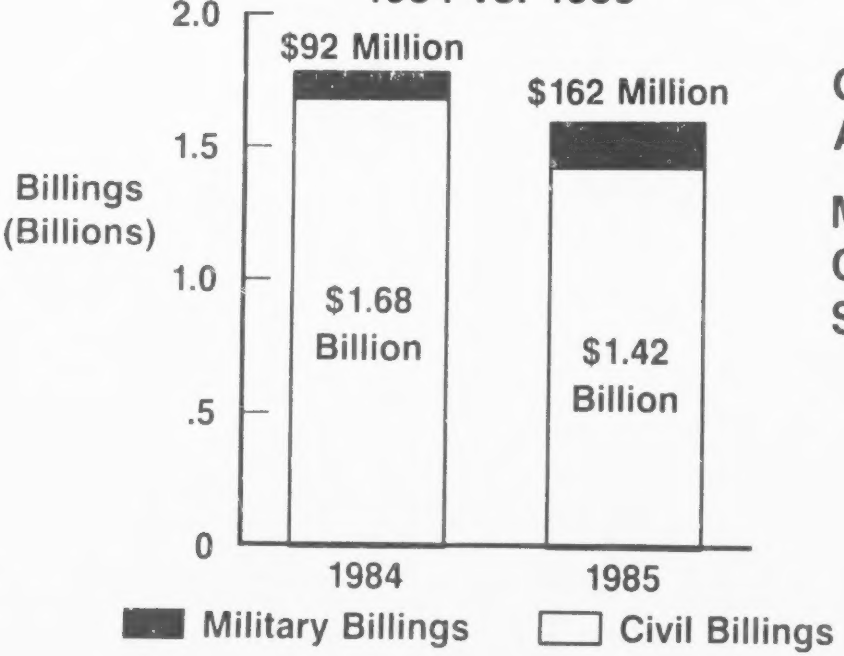
* * *

LEX WILKINSON LTD., a British express company, has been acquired for $36.5 million by the British subsidiary of Federal Express Corp. Company, which was a contract carrier for Federal Express international shipments, will operate as a separate affiliate.

* * *

BOEING VERTOL COMPANY and the Sikorsky Aircraft division of United Technologies have been joined by the Federal Systems Division of IBM; the Singer Aerospace and Marine Systems' Link Flight Simulation division; and Boeing Simulation and Training Systems in the development of the U.S. Army's LHX light helicopters. IBM will co-develop the aircraft survivability equipment and common signal processor. Singer-Link and Boeing STS will design the flight and maintenance training system for the aircraft's development phase.

ADDITIONAL MILITARY OFF-THE-SHELF BUSINESS



GAMA Civil and Military Billings
1984 vs. 1985

	1984	1985
General Aviation	$1.68 Billion	$1.42 Billion
Military Off-the Shelf	$92 Million	$162 Million
	$1.77 Billion	$1.58 Billion

GAMA Chart

2/21/86 C6240-1

Business and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION

Vol. 42 No. 7 February 17, 1986 Page 49

INSIDE

NBAA Seeks IRS Extension..................Page 50
FAA Designates 12 More ARSAs.........Page 52
January Shipments and Billings............Page 53
Business Aviation Briefs.......................Page 54
Marketplace..Page 56

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

PRATT & WHITNEY, MTU DEVELOPING NEW BUSINESS JET ENGINE

Pratt & Whitney of Canada, in conjunction with the Canadian government and Motoren-und-Turbinen-Union Munchen GmbH (MTU) of West Germany, announced plans last week to develop a new business jet engine in the 4,500-6,000-pound thrust category.

Designated as the PW300, the new engine will be designed for use on medium-sized business jets. Asked why the two companies and the Canadian government were launching the program now while sales of new business jets are depressed, a Pratt & Whitney official agreed that sales are very slow at present. She added, however, that "Our marketers believe in a few years there will be a market out there" for a new engine of that size.

Total development costs, including post certification development work, will amount to nearly $500 million (Canadian). The Canadian government will provide approximately 26 percent of development costs, which will be repayable to the government through royalties based on sales. MTU will have a 25 percent share of the program, including design, development and manufacturing. Pratt & Whitney of Canada will have sole responsibility for program management, marketing and product support of the engine. L.D. Caplan, president and chief executive of the Canadian firm, noted that this will be "the largest development program ever undertaken by Pratt & Whitney of Canada." Canadian government support will apply only to Pratt & Whitney's 75 percent share of the program.

Officials said the development program will take five to seven years to complete, with certification anticipated in the early 1990s. Pratt & Whitney of Canada engines power a number of small business jets such as Cessna Citation I and II and the Mitsubishi/Beech Diamond and the company is a major producer of turboprop powerplants for a range of corporate and commuter/regional airline aircraft. Garrett's TFE731 line of turbofans has dominated the market for medium-size business jet engines, however, and the new PW300 is expected to compete directly with the Garrett models.

RAA'S STEPHEN SAYS BUDGET CUTS WILL 'SERIOUSLY IMPAIR' SAFETY

Proposed reductions to aviation programs in the Reagan Administration's fiscal 1987 budget are in excess of $700 million below levels authorized, and may "seriously impair National Aviation System safety, efficiency and capacity," according to Alan Stephen, executive vice president of the Regional Airline Association. Speaking before a House Budget Committee field hearing in Dallas last week, Stephen warned that deeper cuts of $1 billion or more could be triggered if an overall deficit ceiling of $144 billion is not met, resulting in individual line item cuts of programs, projects and activities.

Stephen noted that the Aviation Trust Fund, "has not been used for the purpose intended...billions lie idle as safety and capacity needs remain unmet," adding that the Administration now proposes to take $2.1 billion from the Trust Fund for FAA operations and maintenance. He urged the committee to adopt a budget resolution which would allow spending for FAA programs at levels authorized in the 1982 Airport and Airway legislation: $1 billion for airport improvement; $1.1 billion for National Aviation System facilities and equipment; $193 million for aeronautical research, engineering and design, and $1.3 billion for FAA operations. Spending at these levels could be maintained with 1987 Trust Fund projected income, and still leave a surplus of more than $4.5 billion, he said.

(Continued on the following page)

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS GROUP PUBLICATIONS INC. COPYRIGHT @ 1986 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

51a

AIRPORT & AIRWAY TRUST FUND
Status As Of Nov. 30, 1985

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	$ 7,553,960,943.53	$ 7,425,506,743.43
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund):		
Any liquid fuel except gas	7,600,000.00	15,891,000.00
Tires used on aircraft	0.00	0.00
Tubes used on aircraft	0.00	0.00
Gasoline		
1. Commercial 9 cents tax	218,000.00	450,000.00
2. Non-commercial 9 cents tax	1,706,000.00	3,567,000.00
3. Non-commercial 3 cents tax	543,000.00	1,135,000.00
4. Transp by air,seats,berths,etc.	223,539,000.00	453,517,000.00
Use of international trav fac	8,184,000.00	17,483,000.00
Transp of property and cargo	17,976,000.00	37,234,000.00
Total Tax Receipts	259,766,000.00	529,277,000.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	0.00	0.00
2. Any liquid fuel except gas	0.00	0.00
3. Gasoline -Retailer's tax	0.00	0.00
4. Gasoline -Manufac. tax	0.00	0.00
Total Reimburse For Tax Refunds	0.00	0.00
Net Tax Receipts	259,766,000.00	529,277,000.00
C. Interest on Investments	545,758.24	642,085.89
Net Receipts	260,311,758.24	529,919,085.89
II. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	0.00	-399.66
2. Grants-in-aid for airports	77,642,245.97	150,514,205.88
3. Facilities & equipment	54,596,012.88	89,183,631.44
4. Research engineering & development	18,922,348.47	50,445,297.21
B. NOAA weather services	0.00	2,171,000.00
C. Interest on Refund of Taxes	0.00	0.00
Total Expenditures	151,160,607.32	292,313,734.87
IV. BALANCE - END OF PERIOD	7,663,112,094.45	7,663,112,094.45

ASSETS :		
Undisbursed Balances:		
Airport & Airway Trust Fund	1,000,790.25	
Operations	9,989.42	
Grants-in-aid for Airports	4,351,220.88	
Facilities & Equipment	4,970,652.92	
Research Engineering & Development	4,243,440.98	
NOAA weather services	3,499,000.00	
		$ 18,075,094.45
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS:		
10-3/4% maturing JUNE 30, 1986	$ 7,410,218,000.00	
10-3/8% maturing JUNE 30, 1986	234,819,000.00	
		7,645,037,000.00
Total Assets		7,663,112,094.45
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		$ 7,663,112,094.45
Total Liabilities and Equity		7,663,112,094.45

Treasury Department Chart

		Jan. 86	Cal. Year
AEROSPATIALE GENERAL AVIATION			
• Single-Engine			
TB9	Tampico	1	1
TB10	Tobago	0	0
TB20	Trinidad	0	0
TB21	Trinidad TC	0	0
R110		1	1
R180		0	0
R235		2	2
TOTAL		4	4
BEECH AIRCRAFT CORP.			
• Single-Engine			
BE-77	Skipper	0	0
BE-C23	Sundowner	0	0
BE-C24R	Sierra	0	0
BE-F33A	Bonanza	0	0
BE-A36	Bonanza	6	6
BE-V35B	Bonanza	0	0
BE-B36TC	Bonanza	2	2
• Multi-Engine			
	Diamond IA	2	2
BE-B55	Baron	0	0
BE-E55	Baron	0	0
BE-58	Baron	0	0
BE-58TC	Baron	0	0
BE-58P	Baron	0	0
BE-76	Duchess	0	0
BE-860	Duke	0	0
BE-C99	Airliner	0	0
BE-C90-1	King Air	1	1
BE-F90-1	King Air	0	0
BE-B100	King Air	0	0
BE-200	Super King Air	4	4
BE-200C	Super King Air	0	0
BE-300	Super King Air	3	3
BE-200T	Super King Air	0	0
BE-1900C	Commuter	0	0
TOTAL		18	18
Manufacturers net billing -- $23,020,471.75			
BRITISH AEROSPACE			
• Multi-Engine			
BAe	Jetstream	1	1
HS-748		0	0
BAe 146-100		0	0
BAe 146-200		0	0
HS-125-800	Model A	1	1
HS-125-800	Model B	0	0
TOTAL		2	2
PILATUS BRITTEN-NORMAN LTD.			
• Multi-Engine			
BN-2B	Islander	0	0
BN-2T	Islander	0	0
Mark III	Trislander	0	0
		0	0
CANADAIR			
• Multi-Engina			
CL-600	Challenger	0	0
CL-601	Challenger	0	0
TOTAL		0	0
CESSNA AIRCRAFT CO.			
• Single-Engine			
CE-152		0	0
CE-A152	Aerobat	0	0
CE-172	Skyhawk	8	8
CE-172	Cutlass	0	0
CE-172RG	Cutlass	0	0
CE-182	Skylane	4	4
CE-182	Turbo Skylane	0	0
CE-182RG	Skylane RG	0	0
CE-182RG	Turbo Skylane RG	0	0
CE-185	Skywagon	0	0
CE-U206	Stationair 6	3	3
CE-TU206	Turbo Stationair 6	1	1
CE-207	Stationair 8	0	0
CE-TU207	Turbo Stationair 8	0	0
CE-208	Centurion	0	0
CE-210	Centurion	1	1
CE-T210	Turbo Centurion	0	0
CE-P210	Pressurized Centurion	0	0
CE-188	AgHusky	0	0
CE-188	AgTruck	0	0
• Multi Engine			
CE-303	Crusader	0	0
CE-335		0	0
CE-340		0	0
CE-402		1	1
CE-404	Titan	0	0
CE-414	Chancellor	1	1
CE-421	Golden Eagle	0	0
CE-425	Conquest I	0	0
CE-441	Conquest II	0	0
CE-500	Citation I	0	0
CE-550S/II	Citation II	2	2
CE-650	Citation III	0	0
REIMS AVIATION			
• Single Engine			
CE-152		0	0
CE-F152	Aerobat	0	0
CE-F172	Skyhawk	0	0
CEFR172	Hawk XP	0	0
CE-F182	Skylane	0	0
CE-F182RG	Skylane RG	0	0
TOTAL		21	21
Manufacturers bet billing – $8,742,000			
AVIONS-MARCEL DASSAULT			
• Multi-Engine			
AD-MY.10	Falcon	0	0
AD-MY.20	Falcon	1	1
AD-My. 200	Falcon	0	0
AD-My.50	Falcon	1	1
TOTAL		2	2
DEHAVILLAND AIRCRAFT OF CANADA			
• Multi Engine			
DHC-6	Twin Otter	0	0
DHC-7		0	0
DHC-8		0	0
TOTAL		0	0
EMBRAER			
• Single Engine			
EMB-201	Ipanema	2	2
EMB-710	Carioca	0	0
EMB-711	Corisco	0	0
EMB-712	Tupi	0	0
EMB-720	Minuano	2	2
EMB-721	Sertanejo	0	0
• Multi-Engine			
EMB-110	Bandeirante	0	0
EMB-120	Brasilia	0	0
EMB-121	Xingu	0	0
EMB-810D	Seneca II	2	2
EMB-820		0	0
TOTAL		6	6
FAIRCHILD AIRCRAFT CORP.			
• Multi-Engine			
Merlin III-C		0	0
Fairchild 300		0	0
Merlin IV-C		0	0
Metro III		1	1
Expediter		0	0
TOTAL		1	1
GATES-LEARJET			
• Multi-Engine			
LR-25D		0	0
LR-25G		0	0
LR-29		0	0
LR-35A		0	0
LR-36A		0	0
LR-55		0	0
TOTAL		0	0

GULFSTREAM AEROSPACE

		Jan. 86	Cal. Year
● Multi-Engine			
GR-1159A	Gulfstream III	0	0
AE-840	Turbo Commander	0	0
AE-900	Commander 900	0	0
AE-980		0	0
AE-1000		0	0
TOTAL		0	0

ISRAEL AIRCRAFT INDUSTRIES

		Jan. 86	Cal. Year
		*	*
● Multi-Engine			
1124	Westwind 1	*	*
1124A	Westwind 2	*	*
	Astra	*	*
TOTAL		*	*

LAKE AIRCRAFT

		Jan. 86	Cal. Year
● Single-Engine			
LA-4-200EP		0	0
LA-250	Renegade	1	1
TOTAL		1	1

MAULE AIR INC.

		Jan. 86	Cal. Year
● Single-Engine			
M-5-180C		0	0
M-5-200		0	0
M-5-235C	Lunar Rocket	0	0
M-6-235		0	0
MX-7-180	Super Rocket	1	1
M-7-235	Super Rocket	2	2
MX-7-235		1	1
TOTAL		4	4

MITSUBISHI

		Jan. 86	Cal. Year
● Multi-Engine			
Solitaire		0	0
Marquise		0	0
TOTAL		0	0

MOONEY AIRCRAFT CORP.

		Jan. 86	Cal. Year
● Single-Engine			
M-20J	201	0	0
M-20K	231	7	7
TOTAL		7	7

PIPER AIRCRAFT CORP.

		Jan. 86	Cal. Year
● Single-Engine			
PA-38-112	Tomahawk	0	0
PA-28-161	Warrior	5	5
PA-28-181	Archer II	3	3
PA-28-236	Dakota	1	1
PA-28RT-201T	Turbo Arrow IV	0	0
PA-32-301	Saratoga	2	2
PA-32R-301	Saratoga SP	0	0
PA-32R-301T	Turbo Saratoga SP	0	0
PA-46-310P	Malibu	3	3
● Multi-Engine			
PA-31-350	Chieftain	0	0
PA-31P-350	Mojave	0	0
PA-31-500	Cheyenne I	0	0
PA-31-500	Cheyenne IA	0	0
PA-42-720	Cheyenne III	0	0
PA-42-720	Cheyenne IIIA	0	0
PA-42-1000	Cheyenne 400LS	0	0
PA-34-220T	Seneca III	3	3
PA-44-180	Seminole	0	0
PA-44-180T	Turbo Seminole	0	0
PA-T1020		0	0
PA-T1040		0	0
TOTAL		17	17

Manufacturers net billing – $1,968,353

SHORT BROTHERS LTD.

		Jan. 86	Cal. Year
● Multi-Engine			
SBJ-CS-7	Skyvan	0	0
SD-3-30		0	0
SD-3-60		0	0
TOTAL		0	0

	Jan. 86	Cal. Year
SINGLE-ENGINE	57	57
MULTI-ENGINE	25	25
GRAND TOTAL	82	82

UNIT SHIPMENTS COMPARATIVE TREND: 19 MANUFACTURERS

	January			Calendar Year to Date		
	1986	1985	1984	1986	1985	1984
Aerospatiale	2	*	*	2	*	*
Beech	18	14	37	18	14	37
British Aerospace	2	3	2	2	3	2
Britten Norman	0	0	0	0	0	0
Canadair	0	3	2	0	3	2
Cessna	21	67	54	21	67	54
Dassault	2	4	0	2	4	0
DeHavilland	0	1	2	0	1	2
Embraer	6	14	14	6	14	14
Fairchild	1	0	2	1	0	2
Gates	0	0	0	0	0	0
Gulfstream	0	0	4	0	0	4
Israel	*	0	0	*	0	0
Lake	1	3	1	1	3	1
Maule Air Inc.	4	3	2	4	3	2
Mitsubishi	0	1	1	0	11	1
Mooney	7	8	6	7	8	6
Piper	17	40	33	17	40	33
Short	0	1	1	0	1	1
	82	162	160	82	162	160

* Figures not available

C6240-1

Business and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION

Vol. 42 No. 10 March 10, 1986 Page 73

INSIDE

Cessna Details Financing Package........Page 74
Gulfstream Buys Garrett Mod Center....Page 75
Pilot Training Program Proposed...........Page 76
Business Aviation Briefs.........................Page 77
Marketplace..Page 80

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

GAO SAYS AIR TRAFFIC RESTRICTIONS NEEDED TO EASE CONTROLLER WORKLOAD

General Accounting Office said the Federal Aviation Administration should "impose restrictions on air traffic" until the agency achieves its goals for the number of full performance level controllers and reducing overtime requirements, following a study of the air traffic system from July 1981 to September 1985.

In its study, GAO found that although most controllers, supervisors and managers rate the overall safety of the ATC system as adequate to excellent, many expressed concern about their ability to maintain system safety. Managers said FAA does not have enough fully qualified experienced controllers as needed and called for by FAA's own standards and goals. GAO said it could be expected that the controller deficiency will worsen as controllers, especially those at key facilities, retire. The study found that the number of retirees will be far greater than FAA has projected because of employe concern over proposed changes in the federal retirement system and "dissatisfaction with FAA management." GAO also found FPL controllers feel they are spending approximately 25 percent more time at a radar control position without a break than managers believe they should. High workload is compounded by the shortage of radar controllers, inadequate flow control procedures and airline schedules and air traffic sector configuration.

Controllers are "being stretched too thin," said GAO, which could "in time, impair their ability to continue to maintain the proper margin of safety." Because qualified controllers cannot be produced immediately, GAO concluded, "the only options that remain are to continue to stretch them, or to limit the air traffic they are responsible for. Limiting air traffic before conditions worsen seems to be the prudent choice."

ITC REPORT GIVES MIXED SIGNALS ON COMPETITIVENESS OF U.S. FIRMS

A detailed report by the U.S. International Trade Commission on the competitiveness of U.S. manufacturers in the commuter and business aircraft markets indicates foreign manufacturers will increase their domination of the commuter/regional airline market, while U.S. firms will continue as a major factor in the world market for privately operated business aircraft.

The ITC report, which was issued Friday in Washington, states that "the future competitiveness of the U.S. commuter aircraft industry will be limited to an extremely narrow and declining segment of the market." ITC said it did not know what effect the acquisition of Canadian manufacturer de Havilland by Boeing will have on the situation, since the acquisition was so recent (BA, Dec. 9/186). Because domestic manufacturers do not build aircraft for more than 19 passengers, ITC concluded that "foreign producers will dominate future markets since the majority of future commuter aircraft purchases are expected to be for airplanes capable of transporting 30-50 passengers."

U.S. business aircraft manufacturers are "expected to remain an important force in the world market," according to the ITC report, which noted that "domestic producers are present in all sectors of the market and are at the forefront of many new technology applications. These factors, along with their broadly established marketing relationships in the world market, strong corporate backing and sizable capital and research investments, should assist U.S. manufacturers in remaining competitive."

(Continued on the following page)

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS GROUP PUBLICATIONS INC. COPYRIGHT © 1986 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

BUSINESS AVIATION BRIEFS

INTERNATIONAL TRADE COMMISSION examination of the competitiveness of the U.S. aircraft manufacturing industry states that "imports of commuter and business aircraft totaled $3.5 billion during 1980-84." Imports, combined with a severe slump in demand, escalating product liability costs and a burgeoning used aircraft market led to a significant decline in U.S. producers' sales. As a result, ITC said "physical production capacity utilization (by U.S. aircraft manufacturers) declined from 70 percent in 1981 to 18 percent in 1984."

* * *

FEDERAL AVIATION ADMINISTRATION has proposed new noise standards for civil helicopters in the normal, transport and restricted categories and test procedures for the issuance of original and amended type certificates. New standards proposed would not limit the continued production of non-complying helicopter types already certificated. Proposal was published in the March 6 Federal Register.

* * *

AIRCRAFT OWNERS AND PILOTS ASSOCIATION, in its proposal for major changes in the Airport and Airway Improvement Act, recommended that airport operators be required to consider proposals from prospective fixed-base operators that want to provide limited commercial activities on the airport. AOPA said this would insure competition among FBOs.

* * *

GULFSTREAM AEROSPACE plans to establish a product support center at the Long Beach, Calif. completion center it is acquiring from Garrett. Gulfstream officials said the product support operation will be an extension of the Savannah, Ga. factory.

* * *

LAST GULFSTREAM III scheduled for completion by Garrett AiResearch at the Long Beach facility is one scheduled for delivery to Lee Iacocca, chairman of Gulfstream's parent company, Chrysler Corp.

* * *

CESSNA AIRCRAFT plans to display a military version of the Caravan I—designated the U-27A—at the Army Aviation Association of America convention in Atlanta next month before taking the aircraft on a tour of Army installations.

* * *

FEDERAL AVIATION ADMINISTRATION'S latest 10-year forecast calls for U.S. regional/commuter airlines to carry 48.6 million passengers in 1997, more than double the 21.7 million carried in 1985. A breakdown of commuter/regional traffic projections, estimates of fleet composition and estimates of the active general aviation fleet for the next 10 years are shown in charts on the backs of Pages 77-79.

* * *

PRODUCT LIABILITY CRISIS in the general aviation industry will be the subject of a two-day symposium in the Washington, D.C. area being sponsored by the Aircraft Owners and Pilots Association. The symposium will feature representatives of aircraft manufacturers, fixed-base operators, the insurance industry and attorneys who handle product liability cases. Meeting will be held April 1-2 at the Sheraton Crystal City Hotel in Alexandria, Va. For more information, contact John Sheehan at AOPA, (202) 428-9530.

* * *

AIR MIDWEST'S SYSTEM LOAD FACTOR fell to 36.8 percent during February, the carrier reported Friday, compared to a load factor of 40.4 percent in February 1985. The Wichita-based regional boarded 56,598 passengers last month, up 4.8 percent over the same month a year ago. ASMs fell 6.4 percent to 24.4 million and RPMs dropped 14.1 percent to just over nine million, reflecting "the company's withdrawal from several markets in New Mexico, Texas and Arkansas."

U.S. REGIONAL/COMMUTER AIR CARRIERS
SCHEDULED PASSENGER TRAFFIC
(Millions)

FISCAL YEAR	REVENUE PASSENGER ENPLANEMENTS 48 STATES	REVENUE PASSENGER ENPLANEMENTS HAWAII/ PUERTO RICO/ VIRGIN ISLANDS	REVENUE PASSENGER ENPLANEMENTS TOTAL	REVENUE PASSENGER MILES 48 STATES	REVENUE PASSENGER MILES HAWAII/ PUERTO RICO/ VIRGIN ISLANDS	REVENUE PASSENGER MILES TOTAL
Historical*						
1980	12.4	1.5	13.9	1,676.1	107.8	1,783.9
1981	14.2	1.8	16.0	2,004.0	136.8	2,140.8
1982	15.6	2.2	17.8	2,278.3	187.4	2,465.7
1983	17.8	2.5	20.3	2,703.1	240.1	2,943.2
1984	20.9	2.8	23.7	3,334.3	276.8	3,611.1
1985E	21.7	2.5	24.2	3,564.0	250.3	3,814.3
Forecast						
1986	23.2	2.7	25.9	3,920.8	271.4	4,192.2
1987	25.3	2.9	28.2	4,376.9	292.9	4,669.8
1988	27.7	3.2	30.9	4,889.1	316.8	5,205.9
1989	30.0	3.5	33.5	5,400.0	346.5	5,746.5
1990	31.2	3.8	35.0	5,709.6	376.2	6,085.8
1991	34.0	4.1	38.1	6,324.0	405.9	6,729.9
1992	36.3	4.4	40.7	6,842.6	435.6	7,278.2
1993	38.6	4.7	43.3	7,372.6	465.3	7,837.9
1994	41.0	5.0	46.0	7,933.5	495.0	8,428.5
1995	43.8	5.3	49.1	8,562.9	524.7	9,087.6
1996	45.2	5.6	50.8	8,927.0	554.4	9,481.4
1997	48.6	5.9	54.5	9,695.7	584.1	10,279.8

* Source: RSPA, Form 298-C

E = Estimate

U.S. REGIONAL/COMMUTER AIR CARRIERS
PASSENGER AIRCRAFT

AS OF JANUARY 1	LESS THAN 15 SEATS	15 - 19 SEATS	20 - 40 SEATS	MORE THAN 40 SEATS	TOTAL
Historical*					
1980	861	365	101	86	1413
1981	734	383	99	97	1313
1982	716	433	117	122	1388
1983	701	493	125	175	1494
1984	569	533	147	172	1421
1985E	618	560	154	203	1535
Forecast					
1986	620	567	176	209	1572
1987	592	580	198	216	1586
1988	575	595	240	230	1640
1989	551	610	315	250	1726
1990	541	618	392	270	1821
1991	510	628	475	296	1909
1992	502	642	507	327	1978
1993	480	654	536	361	2031
1994	441	668	568	399	2076
1995	401	683	597	441	2122
1996	359	693	639	493	2184
1997	320	714	670	541	2245

* Source: FAA Aircraft Utilization and Propulsion Reliability Report

E = Estimate

ACTIVE GENERAL AVIATION AIRCRAFT
(Thousands)

AS OF JANUARY 1	FIXED WING				ROTORCRAFT			
	PISTON							
	SINGLE ENGINE	MULTI-ENGINE	TURBOPROP	TURBOJET	PISTON	TURBINE	OTHER	TOTAL
Historical*								
1980	168.4	25.1	3.5	2.7	3.1	2.7	4.8	210.3
1981	168.4	24.6	4.1	3.0	2.8	3.2	4.9	211.0
1982	167.9	25.5	4.7	3.2	3.3	3.7	5.0	213.3
1983	164.2	25.0	5.2	4.0	2.4	3.7	5.2	209.7
1984	166.4	25.1	5.5	3.9	2.5	4.0	5.9	213.3
1985	171.9	25.5	5.8	4.3	2.9	4.2	6.3	220.9
Forecast								
1986	166.4	25.6	6.1	4.6	2.8	4.6	6.4	216.5
1987	166.9	26.0	6.4	4.9	2.8	5.0	6.7	218.7
1988	167.9	26.4	6.6	5.2	2.7	5.3	7.0	221.1
1989	169.6	26.9	6.9	5.5	2.6	5.6	7.3	224.4
1990	172.4	27.3	7.2	5.7	2.6	6.0	7.6	228.8
1991	175.8	27.7	7.5	5.9	2.5	6.3	7.9	233.6
1992	178.7	28.0	7.8	6.2	2.5	6.8	8.3	238.3
1993	182.0	28.3	8.1	6.5	2.5	7.1	8.6	243.1
1994	185.3	28.6	8.4	6.7	2.4	7.7	8.9	248.0
1995	188.9	28.9	8.7	6.9	2.4	8.0	9.2	253.0
1996	191.0	29.2	9.0	7.1	2.3	8.3	9.5	256.4
1997	193.2	29.5	9.3	7.3	2.2	8.6	9.7	259.8

* Source: FAA Statistical Handbook of Aviation

Notes: Detail may not add to total because of independent rounding.

An active aircraft must have a current registration and it must have been flown at least one hour during the previous calendar year.

C6240-1

Business and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION

Vol. 42 No. 11 March 17, 1986 Page 81

INSIDE

FAA Regional Director Reassigned......Page 82
TFE731 Repair Plan Detailed..............Page 84
February Shipments and Billings..........Page 85
Business Aviation Briefs......................Page 86
Marketplace...Page 87

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

COMMERCE COMMITTEE OVERWHELMINGLY VOTES TO BLOCK BUY/SELL

Senate Commerce Committee voted 15-1 Thursday in favor of legislation proposed by Sen. Nancy Kassebaum (R-Kan.) to repeal the Transportation Department's rule permitting air carriers to buy and sell operating slots at four of the nation's busiest airports (BA, Dec. 23/203). Kassebaum's original bill, S.1966, was amended to require a mandatory FAA review of its list of high-density airports every two years and provide greater flexibility for FAA to adopt a mechanism of its own choosing to break scheduling committee deadlocks, except for buy/sell.

Kassebaum said she intended to attach the buy/sell bill "at the first opportunity" to legislation on the Senate floor. As approved by the committee, the bill drops earlier plans to make the measure retroactive to April 1, the date DOT's buy/sell rule goes into effect. Among options to break deadlocks, FAA could use binding arbitration, lotteries, auctions or leasing of slots, with proceeds from leases going into the Aviation Trust Fund. Leases would have to terminate by the end of 1988. FAA would have to review its list of high-density airports every two years and undertake rulemaking to maintain their high-density designation. In addition, FAA would have to tell Congress at least 90 days in advance of plans to designate new high-density airports, justifying the decision with a written report.

The latter provisions are particularly important to general aviation interests such as the National Business Aircraft Association who have been fighting DOT's buy/sell rule. They maintain that the original high-density rule was illegal and that permitting buying and selling of airport slots will retard airport expansion programs and result in the buy/sell scheme spreading to other congested airports as air traffic increases. In addition, they charge that the buy/sell rule will result in GA operators being priced out of busy airports.

AVIATION GROUPS MAKE CASE FOR TRUST FUND PROTECTION

Aviation interest groups voiced strong support Wednesday for removing the Aviation Trust Fund from the unified federal budget and expressed serious concern about the impact of Gramm-Rudman-Hollings' cuts in FAA's budget, which "will have a strong and immediate adverse impact on the goals of capacity and efficiency in the national system of air commerce."

Speaking before the House aviation subcommittee, Robert Cooke, vice president-operations for NBAA, said Gramm-Rudman will result in a "throttling of planned increases in staffing levels" at FAA and further delay completion of the National Airspace System Plan. The controller workforce, which he said "had barely recovered from the 1981 PATCO strike," will be most affected, but he said FSS personnel, the inspector workforce and maintenance workers could also expect reductions, resulting in the lack of "timely, flexible flight operations (for which) travelers have paid taxes."

Shortfalls in available monies for airport improvement programs, despite user taxes producing far more revenues than are needed is "unexcusable," said subcommittee Chairman Norman Mineta (D-Calif.). Shortfalls resulted in an uncommitted surplus of $2.1 billion at the end of fiscal 1982 and $3.3 billion at the end of FY 1985. The uncommitted surplus is expected to reach $4.3 billion by the end of FY 1986. Rather than use funds for what they are intended, while users have continued to make good faith payments, Mineta said the federal government has "repeatedly reneged on its commitment...

(Continued on the following page)

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS GROUP PUBLICATIONS INC.
COPYRIGHT @ 1986 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED.
SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

VETERAN TEST PILOT KILLED DURING STC TEST FLIGHT -- A veteran FAA test pilot was killed March 7 while conducting final supplemental type certification flight tests of a modified Piper PA-32-300. FAA officials said John C. Henderson, 52, was conducting aft center of gravity spin tests in an aircraft modified by M&M Flying Service of Andalusia, Ala. with a speed enhancement and STOL kit. Henderson apparently lost control of the aircraft, which was equipped with a quick-release escape hatch. He managed to exit the aircraft, but officials believe he was too low to permit his parachute to open and he was killed on impact. Henderson had been employed by FAA since October of 1982. He had retired from the U.S. Army as a lieutenant colonel after extensive flight test missions in both fixed- and rotary-wing aircraft. He also had served three tours of duty in Vietnam.

AVIATION TRUST FUND BALANCE NEARING $8 BILLION MARK -- Balance in the Aviation Trust Fund at the end of 1985 was a record $7.8 billion, according to the latest Treasury Department figures (see chart on the back of this page). Treasury said the Trust Fund had net receipts of $530 million in December and paid out $309.5 million for various aviation programs. Aviation interests say the growing surplus in the fund--which was generated entirely by fees and taxes on direct users of the aviation system--is ironic in light of current plans to reduce FAA spending to comply with Gramm-Rudman-Hollings budget cuts (BA, March 3/69).

GARRETT SAYS IT IS EQUIPPED TO HANDLE TFE731 DISC REPLACEMENTS -- While acknowledging that "we couldn't handle everybody tomorrow," Garrett Corp. officials say they should be able to supply replacement discs for TFE731 engines without undue delay to aircraft operators. FAA issued an airworthiness directive last month requiring replacement of fan rotor discs on some 90 TFE731-2, -3 and -3R turbofan engines used on a variety of business jet aircraft (BA, March 3/66). The AD calls for the removal of discs with 4,000 or more cycles.

Chris Crum, a member of Garrett's customer support staff for turbofan programs, told BA early this month that Garrett had already shipped out about 30 replacement discs for U.S. operators and approximately 10 to European operators. The forgings for the discs are supplied by a vendor to Garrett, which must then do some finishing work before shipping them out to approved maintenance facilities. The discs were designed to offer a 10,000 cycle life and are priced at about $30,000 or approximately $3.03 per cycle. Operators are being credited for the difference between 10,000 cycles and the number actually accumulated. For example, an operator with 5,000 cycles on his engine would pay about $15,000 for a new disc. Garrett and its service centers are picking up the labor costs involved, including reblading and balancing of the rebladed disc. Operators participating in Garrett's Maintenance Service Plan will not be charged for new discs.

Crum said it "shouldn't take more than a couple of days" to complete an aircraft. He urged operators to call ahead to make an appointment with the service center to make sure replacement parts are on hand and that the work can be done with minimum inconvenience. The titanium discs removed from aircraft are being shipped to Garrett facilities in Phoenix for examination.

FAA DESIGNATES 11 MORE AIRPORTS AS ARSA SITES -- Federal Aviation Administration has designated 11 more airports or military bases as Airport Radar Service Areas. The new ARSA locations are: Beale Air Force Base, California; Birmingham, Ala. Municipal Airport; Burlington, Vt. International Airport; Castle AFB, Calif.; Charlotte-Douglas, N.C. International Airport; Columbus, Ga. Metropolitan Airport; Mather, AFB, Calif.; McClellan AFB, Calif.; Metropolitan Oakland, Calif. International Airport; Nashville, Tenn. Metropolitan Airport; and, Sacramento, Calif. Metropolitan Airport. The new ARSAs will be effective April 10, 1986, with the exception of Oakland where the ARSA will not be effective until April 9, 1987.

ROGERSON WINS CONTRACT TO INSTALL FUEL TANKS ON NAVY C-9 FLEET -- Rogerson Aircraft, Irvine, Calif., said it has won a $7.6 million contract from the U.S. Navy to extend the range of the service's McDonnell Douglas C-9 aircraft. Douglas Aircraft and Boeing were the losing competitors. Rogerson's Aftermarket Technologies Division will design, manufacture and install a 2,250-gallon fuel system in 12 C-9 aircraft through 1987. Four other Rogerson divisions also will produce components for the system: tanks, Aerobond, Port Angeles, Wash.; fuel quantity measurement systems and electronics, Kratos Aviation Products, Pasadena, Calif.; sensors, Systems Division, Irvine; and, fuel valves, Controls Division, Los Angeles.

AIRPORT & AIRWAY TRUST FUND
Status As Of Dec. 31, 1985

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	$ 7,663,112,094.45	$ 7,425,506,743.43
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund):		
Any liquid fuel except gas	5,628,000.00	21,519,000.00
Tires used on aircraft	0.00	0.00
Tubes used on aircraft	0.00	0.00
Gasoline		
1. Commercial 9 cents tax	225,000.00	675,000.00
2. Non-commercial 9 cents tax	6,092,000.00	9,659,000.00
3. Non-commercial 3 cents tax	2,004,000.00	3,139,000.00
4. Transp by air,seats,berths,etc.	107,524,000.00	561,041,000.00
Use of international trav fac	3,527,000.00	21,010,000.00
Transp of property and cargo	5,535,000.00	42,769,000.00
Total Tax Receipts	130,535,000.00	659,812,000.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	-330.00	-330.00
2. Any liquid fuel except gas	-4,216,650.00	-4,216,650.00
3. Gasoline -Retailer's tax	-1,790.00	-1,790.00
4. Gasoline -Manufac. tax	-43,770.00	-43,770.00
Total Reimburse For Tax Refunds	-4,262,540.00	-4,262,540.00
Net Tax Receipts	126,272,460.00	655,549,460.00
C. Interest on Investments	403,762,604.86	404,404,690.75
Net Receipts	530,035,064.86	1,059,954,150.75
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	93,005,395.00	93,004,995.34
2. Grants-in-aid for airports	112,948,506.44	263,462,712.32
3. Facilities & equipment	79,267,985.43	168,451,616.87
4. Research engineering & development	19,512,755.78	69,958,052.99
B. NOAA weather services	4,828,450.00	6,999,450.00
C. Interest on Refund of Taxes	20.00	20.00
Total Expenditures	309,563,112.65	601,876,847.52
IV. BALANCE - END OF PERIOD	7,883,584,046.66	7,883,584,046.66

ASSETS :		
Undisbursed Balances		
Airport & Airway Trust Fund	835.11	
Operations	4,594.42	
Grants-in-aid for Airports	-17,938,285.56	
Facilities & Equipment	-10,250,332.51	
Research Engineering & Development	92,685.20	
NOAA weather services	550.00	
		-28,089,953.34
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS:		
10-1/4% maturing JUNE 30, 1986	$ 319,087,000.00	
10-3/8% maturing JUNE 30, 1986	182,369,000.00	
10-3/4% maturing JUNE 30, 1986	7,410,218,000.00	
		7,911,674,000.00
Total Assets		7,883,584,046.66
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		$ 7,883,584,046.66
Total Liabilities and Equity		7,883,584,046.66

Treasury Department Chart

BUSINESS/PERSONAL AIRCRAFT INDUSTRY – FEBRUARY UNIT SHIPMENTS

		Feb. 86	Cal. Year
AEROSPATIALE GENERAL AVIATION			
• Single Engine			
TB9	Tampico	0	1
TB10	Tobago	3	3
TB20	Trinidad	0	0
TB21	Trinidad TC	0	0
R110		0	1
R180		0	0
R235		0	0
TOTAL		3	5
BEECH AIRCRAFT CORP.			
• Single Engine			
BE-77	Skipper	0	0
BE-C23	Sundowner	0	5
BE-C24R	Sierra	0	0
BE-F33A	Bonanza	0	0
BE-A36	Bonanza	5	11
BE-V35B	Bonanza	0	6
BE-B36TC	Bonanza	2	4
• Multi Engine			
BE-B55	Baron	0	0
BE-E55	Baron	0	0
BE-58	Baron	1	1
BE-58TC	Baron	0	0
BE-58P	Baron	1	1
BE-76	Duchess	0	0
BE-B60	Duke	0	[illegible]
BE-C99	Airliner	0	[illegible]
BE-C90-1	King Air	0	[illegible]
BE-F90-1	King Air	0	0
BE-B100	King Air	0	0
BE-200	Super King Air	2	8
BE-200C	Super King Air	0	0
BE-300	Super King Air	3	5
BE-200T	Super King Air	0	0
BE-1900C	Commuter	2	2
	Diamond IA	0	2
TOTAL		16	34
Manufacturers net billing — $14,729,892.81			
BRITISH AEROSPACE			
• Multi-Engine			
BAe	Jetstream	4	5
HS-748		0	0
BAe 146-100		0	0
BAe 146-200		0	0
HS-125-800	Model A	1	2
HS-125-800	Model B	0	0
TOTAL		5	7
PILATUS BRITTEN-NORMAN LTD.			
• Multi Engine			
BN-2B	Islander	0	0
BN-2T	Islander	0	0
Mark III	Trislander	0	0
TOTAL		0	0
CANADAIR			
• Multi Engine			
CL-600	Challenger	0	0
CL-601	Challenger	0	0
TOTAL		0	0
CESSNA AIRCRAFT CO.			
• Single Engine			
CE-152		0	0
CE-A152	Aerobat	0	0
CE-172	Skyhawk	13	21
CE-172	Cutlass	0	0
CE-172RG	Cutlass	0	0
CE-182	Skylane	3	7
CE-182	Turbo Skylane	1	1
CE-182RG	Skylane RG	0	0
CE-182RG	Turbo Skylane RG	0	0
CE-185	Skywagon	0	0
CE-U206	Stationair 6	2	5
CE-TU206	Turbo Stationair 6	4	5
CE-207	Stationair 8	0	0
CE-TU207	Turbo Stationair 8	0	0
CE-208	Caravan	3	3
CE-210	Centurion	0	1
CE-T210	Turbo Centurion	3	3
CE-P210	Pressurized Centurion	0	0
CE-188	AgHusky	0	0
CE-188	AgTruck	0	0
• Multi-Engine			
CE-303	Crusader	0	0
CE-335		0	0
CE-340		0	0
CE-402		0	1
CE-404	Titan	0	0
CE-414	Chancellor	0	1
CE-421	Golden Eagle	0	0
CE-425	Conquest I	0	0
CE-441	Conquest II	2	2
CE-500	Citation I	0	0
CE-550S/II	Citation II	1	3
CE-650	Citation III	0	0
REIMS AVIATION			
• Single Engine			
CE-152		0	0
CE-F152	Aerobat	0	0
CE-F172	Skyhawk	0	0
CE-FR172	Hawk XP	0	0
CE-F182	Skylane	0	0
CE-F182RG	Skylane RG	0	0
TOTAL		32	53
Manufacturers net billing — $10,108,175			
AVIONS MARCEL DASSAULT			
• Multi Engine			
AD-My.10	Falcon	0	0
AD-My.20	Falcon	0	1
AD-My.200	Falcon	0	0
AD-My.50	Falcon	2	3
TOTAL		2	4
DEHAVILLAND AIRCRAFT OF CANADA			
• Multi Engine			
DHC-6	Twin Otter	0	0
DHC-7		1	1
DHC-8		1	1
TOTAL		2	2
EMBRAER			
• Single Engine			
EMB-201	Ipanema	2	4
EMB-710	Carioca	0	0
EMB-711	Corisco	2	2
EMB-712	Tupi	0	0
EMB-720	Minuano	1	3
EMB-721	Sertanejo	0	0
• Multi Engine			
EMB-110	Bandeirante	0	0
EMB-120	Brasilia	0	0
EMB-121	Xingu	1	1
EMB-810D	Seneca II	1	3
EMB-820		0	0
TOTAL		7	13
FAIRCHILD AIRCRAFT CORP.			
• Multi Engine			
Merlin III-C		0	0
Fairchild 300		0	0
Merlin IV-C		0	0
Metro III		0	1
Expediter		0	0
TOTAL		0	1
GATES LEARJET			
• Multi-Engine			
LR-25D		0	0
LR-25G		0	0
LR-29		0	0
LR-35A		0	0
LR-36A		0	0
LR-55		0	0
TOTAL		0	0

85a-

		Feb. 86	Cal. Year
GULFSTREAM AEROSPACE			
• Multi-Engine			
GA 1159A	Gulfstream III	0	0
AC 840	Turbo Commander	0	0
AC 900	Commander 900	0	0
AC 980		0	0
AC 1000		1	1
TOTAL		1	1
ISRAEL AIRCRAFT INDUSTRIES			
• Multi-Engine			
1124	Westwind 1	0	0
1124A	Westwind 2	0	0
	Astra	0	0
TOTAL		0	0
LAKE AIRCRAFT			
• Single Engine			
LA-4-200EP		0	0
LA-250	Renegade	0	1
TOTAL		0	1
MAULE AIR INC.			
• Single Engine			
M-5-180C		1	1
M-5-235C		0	2
M-5-210C	Lunar Rocket	1	1
M-6-235		1	1
MX-7-180	Super Rocket	0	1
M-7-235	Super Rocket	0	0
MX-7-235		4	5
TOTAL		7	11
Manufacturers net billing $338,382			
MITSUBISHI			
• Multi-Engine			
Solitaire		0	0
Marquise		0	0
TOTAL		0	0
MOONEY AIRCRAFT CORP.			
• Single Engine			
M20J	201	4	4
M20K	231	5	12
TOTAL		9	16

		Feb. 86	Cal. Year
PIPER AIRCRAFT CORP.			
• Single Engine			
PA-38-112	Tomahawk	0	0
PA-28-161	Warrior	0	10
PA-28-181	Archer II	14	17
PA-28-236	Dakota	1	2
PA-28RT-201T	Turbo Arrow IV	0	0
PA-32-301	Saratoga	0	2
PA-32R-301	Saratoga SP	1	1
PA-32R-301T	Turbo Saratoga SP	2	2
PA-46-310P	Malibu	9	12
• Multi-Engine			
PA-31-350	Chieftain	0	0
PA-31P-350	Mojave	0	0
PA-31-500	Cheyenne I	0	0
PA-31-500	Cheyenne IA	1	1
PA-42-720	Cheyenne III	0	0
PA-42-720	Cheyenne IIIA	0	0
PA-42-1000	Cheyenne 400LS	0	0
PA-34-220T	Seneca III	3	6
PA-44-180	Seminole	0	0
PA-44-180T	Turbo Seminole	0	0
PA-T1020		0	0
PA-T1040		5	9
TOTAL		36	62
Manufacturers net billing [illegible]			
SHORT BROTHERS LTD.			
• Multi-Engine			
SKY [illegible]	Sherpa	1	1
SD 3-30		0	0
SD 3-60		0	0
TOTAL		1	1
	SINGLE ENGINE	93	149
	MULTI-ENGINE	28	53
	GRAND TOTAL	121	202

UNIT SHIPMENTS COMPARATIVE TREND — 19 MANUFACTURERS

	February			Calendar Year to Date		
	1986	1985	1984	1986	1985	1984
Aerospatiale	3	*	*	5	*	*
Beech	16	18	31	24	32	33
British Aerospace	5	1	4	7	4	[illegible]
Britten Norman	0	0	0	0	0	[illegible]
Canadair	0	3	1	0	6	3
Cessna	32	73	69	53	140	121
Dassault	2	2	3	4	4	3
DeHavilland	2	3	4	2	4	6
Embraer	7	9	6	13	23	20
Fairchild	0	2	1	1	2	2
Gates	0	2	1	0	2	[illegible]
Gulfstream	1	3	4	1	6	8
Israel	0	0	1	0	0	1
Lake	0	0	0	1	3	1
Maule Air Inc.	7	5	1	11	8	8
Mitsubishi	0	0	2	0	1	6
Mooney	9	10	9	16	18	15
Piper	36	42	49	53	80	92
Short	1	*	1	1	1	2
TOTAL	121	123	193	202	236	353

* Figures not available

C6240-1

Business
and commercial **Aviation**

THE WEEKLY OF
BUSINESS AVIATION

Vol. 42 No. 12 March 24, 1986 Page 89

INSIDE

Falcon 900 Gains Certification............Page 90
Cascade's Future Unclear.....................Page 91
Increased FAA Penalties Proposed........Page 92
Business Aviation Briefs........................Page 93
Marketplace..Page 96

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

JUSTICE DEPARTMENT STUDY RECOMMENDS MAJOR TORT LAW REFORMS

A Justice Department study group has recommended major changes in the way product liability cases are handled by the courts to help curb soaring judgments against manufacturers and limit the amount that lawyers receive in contingency fees for handling such cases. Details of the study were announced last week, the latest in a series of developments reflecting growing concern about the current product liability situation.

Richard K. Willard, assistant attorney general of the Justice Department's Civil Division who headed the study, said the recommended reforms are:

- Return to a fault-based standard for liability.
- Base causation findings on credible scientific and medical evidence and opinions.
- Eliminate joint and several liability in cases where defendants have not acted in concert.
- Limit non-economic damages (such as pain and suffering, mental anguish or punitive damages) to a fair and reasonable maximum dollar amount.
- Provide for periodic (instead of lump-sum) payments of damages for future medical care or lost income.
- Reduce awards in cases where a plaintiff can be compensated by certain collateral sources to prevent a windfall double recovery.
- Limit attorneys' contingency fees to reasonable amounts on a sliding scale.
- Encourage use of alternative dispute resolution mechanisms to resolve cases out of court.

Willard repeatedly dodged the question of whether the Reagan Administration will introduce legislation incorporating the suggested reforms, saying only that the matter is under review. Other sources, however, said such a bill is being drafted and that the matter carries a fairly high priority within the Administration. Willard said many of the problems in the tort liability system resulted from "judicial activists" sitting on state courts. The report cites interpretations of joint and several liability that have resulted in "defendants with only a limited role in causing an injury bearing the full cost of compensating plaintiff, even in some cases where the plaintiff may have been largely responsible for his own injury." The report said that has led to "highly inequitable treatment of defendants, particularly 'deep pocket' defendants."

The report recommends that non-economic damages be limited to $100,000, including any amount awarded in punitive damages. Contingency fees charged by plaintiffs' attorneys currently range from one-third of a total settlement up to 50 percent. Under the Justice Department recommendations, contingency fees would range from 25 percent of the first $100,000 in damages awarded down to 10 percent for amounts over $300,000. Thus, in the case of a $500,000 award, the attorney would receive a contingency fee of $80,000, compared to $166,666 if he were to receive one-third of the proceeds.

The report cites a sharp increase in the number of product liability cases filed in federal district court over the past 11 years, ranging from under 2,000 in 1974 to nearly 14,000 last year and similar increases in the average amount of settlements (see charts on the back of Pages 90-92). The report said many American businesses, professionals and municipalities are encountering serious insurance problems, arising from premium increases, policy cancellations and refusals to underwrite certain activities.

(Continued on the following page)

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS GROUP PUBLICATIONS INC. COPYRIGHT © 1986 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

JUSTICE DEPARTMENT (Cont.)

Industries, businesses and professions including general aviation and aerospace manufacturers, establishments serving liquor, doctors, motor carriers, architects and engineers were among those mentioned as facing enormous cost increases for liability insurance or inability to obtain sufficient coverage. In addition to the Justice Department report, the liability insurance problem has been receiving increasing media attention in recent months and Congress also is addressing the problem. The Senate Commerce Committee staff is reported to be working on the third draft of a comprehensive product liability bill introduced earlier by Sen. John Danforth (R-Mo.) A spokesman for Rep. Dan Glickman (D-Kan.) said hearings are anticipated on his bill (H.R.4142) in April or May (BA, Feb. 10/43).

FALCON 900 WINS FAA CERTIFICATION -- The Falcon 900, the latest entry of Avions Marcel Dassault Breguet in the business jet market, received FAA certification Friday through the agency's office in Brussels, Belgium. The new three-engine aircraft received French certification a week earlier. Officials of Falcon Jet Corp., which handles North American marketing for the Falcon line, said the first "green" customer aircraft will arrive in the U.S. this spring and is expected to be completed and in operation late this year. FJC's Falcon 900 demonstrator, the No. 2 certification aircraft, will begin flying in the U.S. late next month or in May.

U.S. EXIMBANK PROVIDES FINANCING TO COUNTER BRAZILIAN TERMS -- U.S. Export-Import Bank took the unusual step of financing the purchase of U.S.-manufactured goods by a domestic buyer last week to counter "heavily subsidized financing competition" from Brazil and bank officials indicated similar action may be taken regarding general aviation aircraft purchases. The bank agreed to lend $8.2 million at five percent annual interest to finance the sale of four hydraulic turbine generators by Allis-Chalmers Hydro, Inc. for installation in a hydroelectric power project in western Pennsylvania. Eximbank said its offer is directly competitive with an offer from the Brazilian Export Credit agency, CACEX, to support a sale of similar generator equipment by Voith Brasil S.A. of Sao Paulo, Brazil. John A. Bohn, Jr., first vice president and vice chairman of Eximbank said, "We are very concerned about the growing use of non-competitive export credits by the Brazilian government to finance sales of power generating equipment, general aviation aircraft and other products to the U.S. We think our action will be effective in this specific instance, but we expect the Administration will vigorously pursue a wider solution to this growing trade problem."

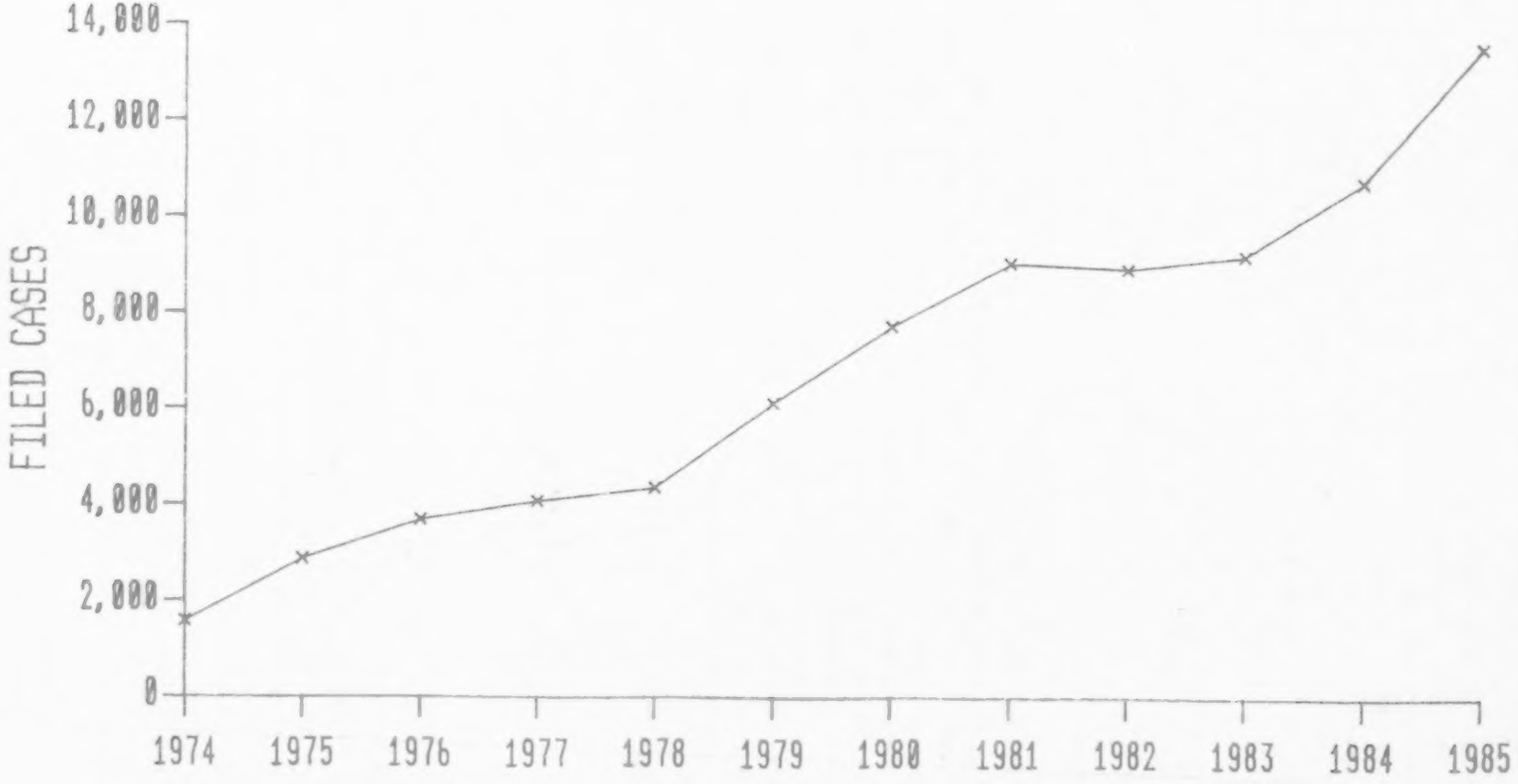
GE WORKERS AGREE TO END STRIKE AGAINST ENGINE MANUFACTURER -- Some 7,500 union workers voted overwhelmingly last Thursday to end their 27-day strike at General Electric's Riverworks Plant in Lynn, Mass. following approval of an agreement to improve relations between company foremen and union stewards. GE said following the vote that about 90 percent of the work force was expected to return to work last Friday, with the remainder due back over the course of the next two weeks. A spokesman said the financial impact of the strike "won't be of large proportions," but said there may be "some production imbalance" in some areas for a while.

EMBRY-RIDDLE SELECTED FOR FAA MANAGEMENT TRAINING SCHOOL -- Embry-Riddle Aeronautical University near Daytona Beach, Fla. has been tentatively selected as the site for the Federal Aviation Administration's new management training school, according to the Transportation Department. Embry-Riddle was awarded the contract over nine other contenders with a bid of $35 million. Contract is for a period of 10 years with two five year options, according to Bill Motzel, senior vice president of plans and development for the university.

Final selection will be made following a review by the General Services Administration, to determine if Embry-Riddle's fees are "fair and reasonable." The Bunnell, Fla. campus was chosen because it offered the best value considering technical excellence, price and business management, according to DOT.

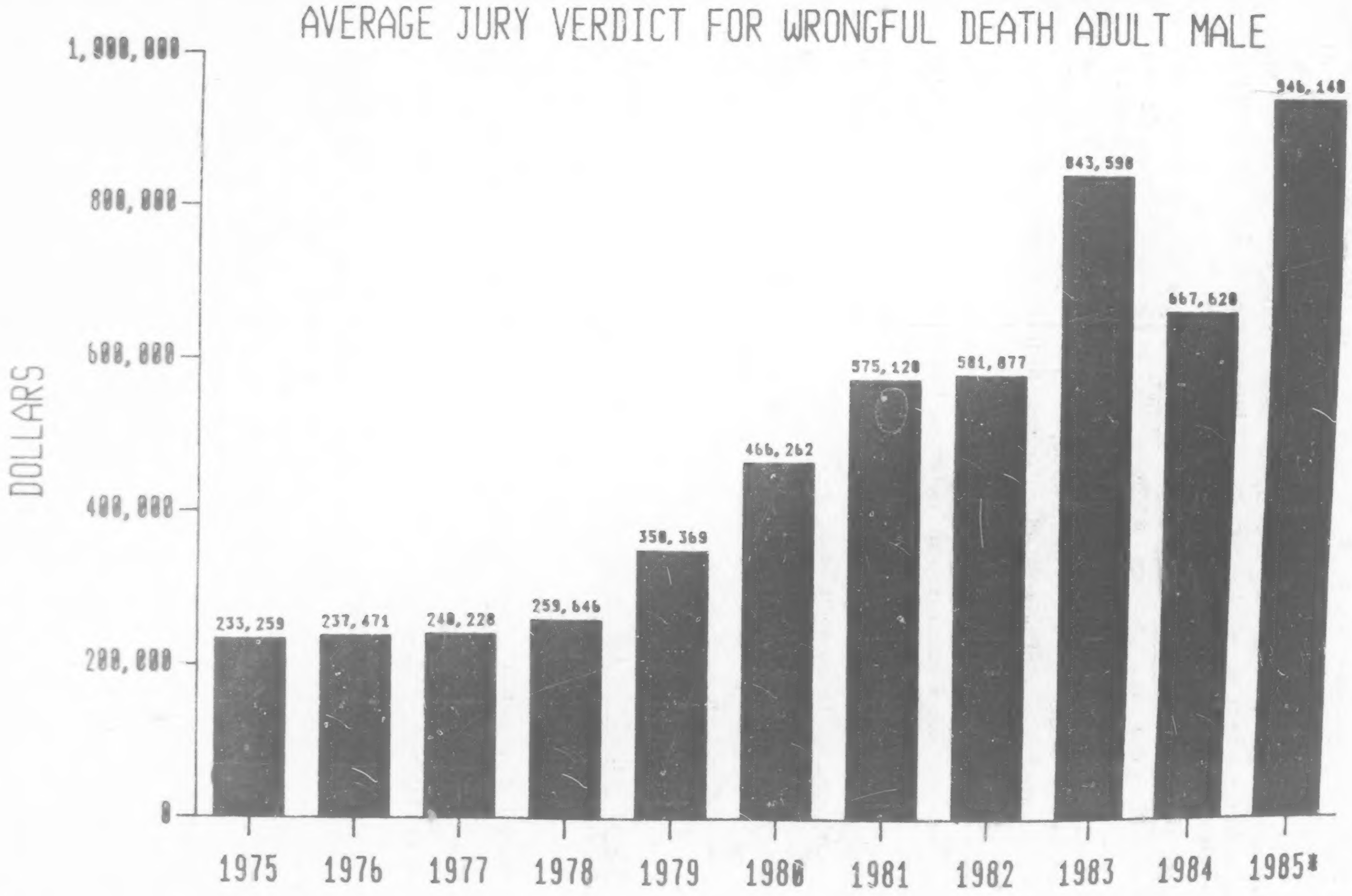
Contract is for a 130,000-square-foot facility, which will include classrooms, dormitory and eating facilities, administrative offices and adjunct areas needed for operation. Separate bids will be made for the instructional staff at a later date. FAA will continue to train personnel at the current location at Cameron University in Lawton, Okla. until mid-1987. Cameron was not one of the 10 groups making bids for the new facility as the school is currently involved in an expansion program, according to DOT.

PRODUCT LIABILITY CASES FILED IN FEDERAL DISTRICT COURT



Source: Administrative Office of the United States Courts

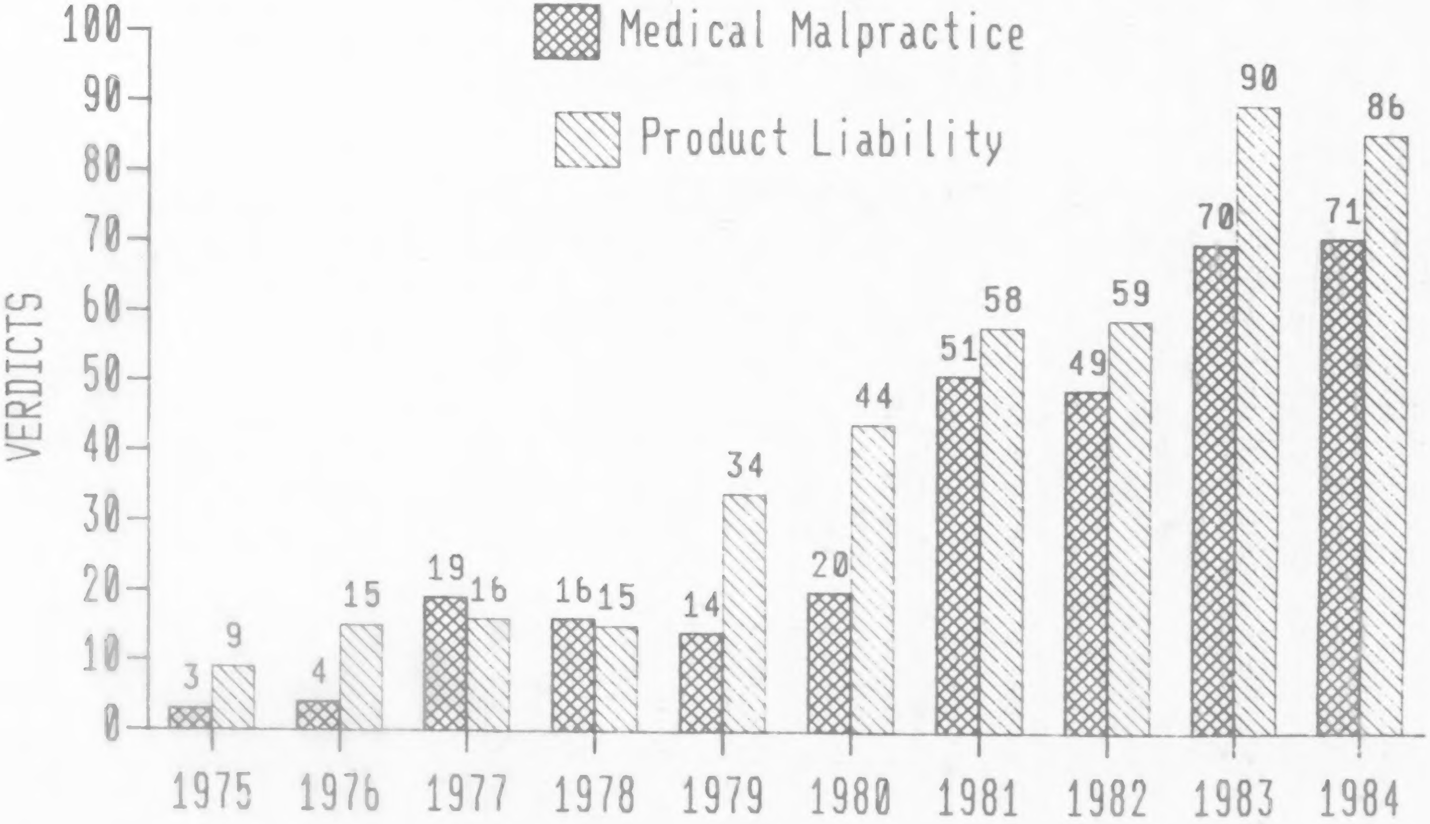
9/a



Source: Jury Verdict Research, Inc.

* 1985 Information Not Complete

MILLION DOLLAR JURY VERDICTS



Source: Jury Verdict Research, Inc.

C6240-1

Business and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION®

Vol. 42 No. 15 April 14, 1986 Page 113

INSIDE

Upset Blamed in Westwind Crash.........Page 115
Wind Shear Plan Detailed....................Page 116
March Shipments and Billings...............Page 117
Business Aviation Briefs.......................Page 118
Marketplace.......................................Page 120

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

PANEL SAYS FEDERAL CORPORATION SHOULD REPLACE FAA

A report commissioned by the Air Transport Association recommends that nearly all of FAA's current functions be turned over to a federal corporation that would have the authority to levy user charges to finance operation of the air traffic control system and provide funds for airport development. A panel of the National Academy of Public Administration said there has been a "general decline in the overall ability of the ATC system to perform at top effectiveness and to respond swiftly to the demands placed on it." The panel stated that while the decline thus far in the ATC system is in "overall management effectiveness, not in operational safety," further deterioration "eventually will jeopardize the capacity to sustain the operational safety and the overall excellence of the system."

The panel recommends establishing a Federal Aviation Authority to assume nearly all current FAA functions. The ATC system would be placed under the Defense Department in wartime. The authority would report to the Secretary of Transportation, but would not be part of the department. Its chief executive would be appointed for a fixed term by the President, as would an advisory board representing principal aviation and user interests. It would be free to enter into contracts, acquire and dispose of property, sue and be sued and administer corporate user charges. DOT would have approval authority over specific user charges.

The panel noted that the political and policy environment of the federal government has become "markedly worse, especially for the execution of operations-oriented activities of the kind administered by FAA." Deficits, fiscal pressure and budget cuts mandated by the Gramm-Rudman legislation have forced the Office of Management and Budget "into an institutional stance of finding ways to constrain budgets rather than forming balanced judgments reflecting the public's needs and interests," the report said.

An ATA spokesman said a task force will be formed within ATA to examine the report which will then make recommendations to ATA's board of directors. The ATA board is expected to consider the matter at its June meeting. The report is expected to stir considerable debate among all segments of the aviation community, many of whom have expressed frustration with FAA's inability to address problems quickly because of fiscal and organizational constraints. There is concern, however, about how such a private corporation would operate and how various segments of the industry would be represented.

NBAA URGES IRS TO CHANGE PROPOSED AIRCRAFT VALUATION RULES

National Business Aircraft Association has urged the Internal Revenue Service to make a number of changes in its proposed aircraft valuation regulations. In comments filed with IRS this month, NBAA said that despite revisions in IRS' original proposals for taxing the personal use of business aircraft, the latest proposals contain areas that "still raise serious concerns among those involved in and affected by general aviation."

The original IRS proposals for taxing private use of business aircraft—action mandated by the Tax Reform Act of 1984—were published 15 months ago and were immediately met with opposition from aircraft users (BA, Jan. 7/1). In the interim, IRS has deleted some of the most objectionable proposals,

(Continued on the following page)

NOW ONLINE WORLDWIDE

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS GROUP PUBLICATIONS INC. COPYRIGHT @ 1986 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

NBAA (Cont.)

agreeing to equate the value of a particular flight with the size of the aircraft involved and permitting some personal travel without penalty if 50 percent or more of an aircraft's regular passenger seating capacity is used by persons traveling for business reasons (BA, May 6/137).

NBAA said the seating capacity rule should be replaced with a passenger percentage rule "under which the percentage of business passengers must be 50 percent or more of the total passengers in order for a personal passenger to realize a zero valuation." The association said IRS' seating capacity rule is "far too rigid to adapt to the realities of normal business operations of non-commercial aircraft" and is unnecessarily complex. NBAA said its alternative proposal "eliminates all of the unnecessary complications, administrative difficulties and inequities inherent" in the IRS rule. NBAA also said that seats occupied by directors and business guests of the company operating the aircraft should be counted toward satisfying either the present seating capacity rule or the passenger percentage rule.

The valuation of flights taken by so-called "control employes" also should be reduced, NBAA said, charging that under the IRS rules the value of such flights "are unrealistically high." The association said control employe flights should be valued "as if taken by a non-control employe when more than 25 percent of the seats (or passengers) are occupied by or consist of business passengers."

NBAA will be among those testifying on the IRS rules at a public hearing set for April 29-30 in Washington. Persons subject to aircraft fringe benefit taxation for 1985 have the option of using either the original rules published in January of 1985 or the revised version that was issued in December, but it is expected the revised rules will offer more benefits to most individuals.

REGULATIONS LIMIT REIMBURSEMENT FOR USE OF CORPORATE AIRCRAFT -- Regulations adopted by the federal government will limit the amount of reimbursement that government contractors can claim for use of corporate aircraft in performing work for the government. The new rules, which went into effect April 7, were published in the April 9 Federal Register. The rules generally disallow reimbursement for air travel costs that are "in excess of the lowest customary standard, coach or equivalent airfare offered during normal business hours..." The regulations state that "the costs of travel by contractor-owned, -leased, or -chartered aircraft are limited to the standard airfare (described above) unless travel by such aircraft is specifically required by contract specification, term or condition or a higher amount is approved by the contracting officer." Higher airfare reimbursement may be permitted if regular airline accommodations would entail circuitous routing, require travel during unreasonable hours, excessively prolong travel, result in increased cost that would offset transportation savings, or are unsatisfatory for medical or physical needs of the person traveling. The regulations state that "In all cases, travel by contractor-owned, -leased or chartered aircraft must be fully documented and justified," including examination of flight manifests and logs noting dates, times, points of departure and destination, names and titles of contractor employes and purpose of the trip.

REGIONAL PASSENGER BOARDINGS, TRAFFIC INCREASE IN 1985 -- Traffic for regional airlines in the U.S. increased by 13 percent in 1985 to 4.72 billion revenue passenger miles, up from 4.17 billion a year earlier. Passengers carried increased by 4.6 percent, from 26.1 million to 27.3 million despite the fact that the number of passenger carriers operating decreased by 12 percent, from 203 in 1984 to 179 last year.

According to data prepared for the Regional Airline Association's annual report, passenger aircraft in regional service declined from 1,747 in 1984 to 1,745 in 1985, with the "average" carrier flying 152,000 passengers during the year, using 10 aircraft with an average 19-seat configuration. RAA said hours flown in revenue service increased by three percent, from 2.7 million to 2.8 million. Airports served by regionals increased by two, from 852 to 854, while airports served by major or national carriers decreased from 283 to 278.

RAA reported turboprops were the leading aircraft used by the regional airlines with a total of 989, followed by 439 multi-engine piston models, 247 single engine, 36 helicopters and 34 jets. Number of turbine aircraft topped the 1,000 mark and accounted for 93 percent of traffic industry wide (see charts on the back of Pages 114-116 and 118).

114a

TOP REGIONAL CARRIERS IN 1985

Rank	Carrier	Codes Shared	1985 Passengers	1984 Rank
1.	Air Wisconsin	UA	1,726,874	4
2.	Mid-Pacific		1,363,863	1
3.	Empire (1)	PI	1,310,889	5
4.	Britt	PE/PI	1,251,884	3
5.	Metro (2)	AA/EA	1,121,678	6
6.	Atlantic Southeast Airlines	DL	982,282	12
7.	Horizon	UA	942,000	7
8.	Henson	PI	878,659	9
9.	PBA	PE	773,182	2
10.	Air Midwest	AA/EA/OZ	761,083	10
11.	Simmons	AA/RC	748,217	22
12.	Skywest	WA	691,236	11
13.	Comair	DL	625,537	18
14.	Ransome Airline	DL	609,022	14
15.	Brockway (3)	PI/AL	597,219	31
16.	Aspen		571,028	17
17.	Business Express (4)		493,000	
18.	Pennsylvania	AL	485,942	16
19.	Rocky Mountain		429,720	15
20.	Royale	CO	414,254	20
21.	Suburban	AL	391,183	24
22.	Name withheld by request		374,554	
23.	Wings West	AA	364,962	23
24.	Name withheld by request		360,000	
25.	Chautauqua	AL	358,607	32
26.	Bar Harbor	EA	357,719	28
27.	Midstate		347,655	30
28.	Cascade (5)		323,472	21
29.	Command	AA	262,651	33
30.	Gull Air	NY	241,089	35
31.	AVAir	AA	230,288	
32.	South Central Air		217,591	
33.	Pocono	AL	210,311	40
34.	Royal Hawaiian Air Service		203,801	38
35.	Fischer Brothers	NW	189,921	39
36.	Chaparral	AA	182,406	43
37.	Crownair/Dorado Wings		180,000	41
38.	Southern Jersey	AL	177,895	44
39.	Precision	EA	175,647	47
40.	Trans Air		175,000	
41.	Aero Virgin Island		157,667	
42.	CCAir	PI	149,093	

(Continued on the back of the following page)

43.	Pioneer	CO	148,703	
44.	Virgin Island Seaplane Shuttle		147,619	
45.	ERA	AS	145,000	49
46.	Republic Express	RC	143,509	
47.	San Juan Airlines		135,000	50
48.	Mesaba Airlines	NW	132,967	
49.	NY Helicopter		131,000	
50.	Metro Express II	AA	129,550	

1.	Total enplanements top 50 airlines	23,522,000	86%
2.	Total industry enplanements	27,270,000	100%
3.	Total revenue passenger miles top 50 airlines (000s)	4,115,000	87%
4.	Total industry revenue passenger miles (000s)	4,715,000	100%

Notes: (1) Empire will merge into Piedmont Airlines on May 1, 1986 and will be deleted subsequently from future RAA traffic data.

(2) Metro traffic inclusive of all its operating subsidiaries.

(3) Brockway traffic inclusive of its Brockway Airlines and Crown Airways divisions.

(4) Business Express traffic inclusive of Pilgrim Airlines.

(5) Cascade has suspended operations.

1985 REGIONAL AIRLINE RESULTS

	1984	1985	%Change
Passenger Carriers Operating:	203	179	-12%
Traffic Statistics:			
Passengers (millions)	26.1	27.3	+5%
RPMs (billions)	4.17	4.72	+13%
Av. Pax Trip (miles)	160	173	+8%
Aircraft in Service:			
Passenger	1,747	1,745	--
All Cargo	119	121	+2%
Hours Flown in Revenue Service (000s):			
Passenger	2,764	2,854	+3%
All Cargo	86	85	-1%
Total Airports Served in North America:			
by Regional/Commuters	852	854	--
by Majors/Nationals	283	278	-2%
U.S. Airports Exclusively Served			
by Regional/Commuters	598	607	+2%
by Majors/Nationals	12	10	-20%

Source: Regional Airline Association 4/8/86

AIRCRAFT IN REGIONAL AIRLINE PASSENGER SERVICE
Comparison of Aircraft Seating Capacity by Fleet Size, Hours Flown and Revenue Passenger Miles
1978 versus 1985

	Passenger Seating Capacity					
	1 - 9	10 - 19	20 - 39	40 & Up	Other*	Total
Aircraft in Active Fleet:						
1978.....	667	270	72	22	16	1,047
1985.....	662	639	198	176	70	1,745
% Chg.....	-1%	+137%	+175%	+700%	+338%	+67%
Hours Flown: (000s)						
1978.....	566	474	57	23	11	1,131
1985.....	709	1,320	401	308	116	2,854
% Chg.....	+25%	+178%	+603%	+1,237%	+955%	+152%
Revenue Pax Miles in % of Total Shown:						
1978.....	22%	58%	13%	6%	1%	1.28 bil
1985.....	6%	37%	18%	21%	18%	4.72 bil
% Chg.....						+ 269%

(Other*) includes helicopters and jets.

Notes: 1978 data estimated from CAB reports of commuter activity. 1985 data derived from the RAA Annual Survey of Air Carriers.

Source: Regional Airline Association 4/8/86

BUSINESS/PERSONAL AIRCRAFT INDUSTRY – MARCH UNIT SHIPMENTS

		Mar. 86	Cal. Year
AEROSPATIALE GENERAL AVIATION			
● Single-Engine			
TB9	Tampico	0	1
TB10	Tobago	6	9
TB20	Trinidad	4	4
TB21	Trinidad TC	0	0
R110		0	1
R180		0	0
R235		0	0
TOTAL		10	15
BEECH AIRCRAFT CORP			
● Single-Engine			
BE-77	Skipper	0	0
BE-C23	Sundowner	0	0
BE-C24R	Sierra	0	0
BE-F33A	Bonanza	3	3
BE-A36	Bonanza	7	18
BE-V35B	Bonanza	0	0
BE-B36TC	Bonanza	1	5
● Multi-Engine			
BE-B55	Baron	0	0
BE-E55	Baron	0	0
BE-58	Baron	1	2
BE-58TC	Baron	0	0
BE-58P	Baron	0	1
BE-76	Duchess	0	0
BE-B60	Duke	0	0
BE-C99	Airliner	0	0
BE-C90-1	King Air	0	1
BE-F90-1	King Air	0	0
BE-B100	King Air	0	0
BE-200	Super King Air	1	7
BE-200C	Super King Air	0	0
BE-300	Super King Air	1	7
BE-200T	Super King Air	0	0
BE-1900C	Commuter	1	3
	Beechjet Diamond IA	4	6
TOTAL		19	53
Manufacturers net billing – $15,386,958			
BRITISH AEROSPACE			
● Multi-Engine			
BAe	Jetstream	4	9
HS-748		1	1
BAe 146-100		1	1
BAe 146-200		2	2
HS-125-800	Model A	1	3
HS-125-800	Model B	0	0
TOTAL		9	16
PILATUS BRITTEN-NORMAN LTD			
● Multi-Engine			
BN-2B	Islander	0	0
BN-2T	Islander	1	1
Mark III	Trislander	0	0
TOTAL		1	1
CANADAIR			
● Multi-Engine			
CL-600	Challenger	0	0
CL-601	Challenger	1	1
TOTAL		1	1
CESSNA AIRCRAFT CO			
● Single-Engine			
CE-152		0	0
CE-A152	Aerobat	0	0
CE-172	Skyhawk	16	37
CE-172	Cutlass	0	0
CE-172RG	Cutlass	0	0
CE-182	Skylane	6	13
CE-182	Turbo Skylane	0	1
CE-182RG	Skylane RG	2	2
CE-182RG	Turbo Skylane RG	0	0
CE-185	Skywagon	0	0
CE-U206	Stationair 6	6	11
CE-TU206	Turbo Stationair 6	5	10
CE-207	Stationair 8	0	0
CE-TU207	Turbo Stationair 8	0	0
CE-208	Caravan	2	5
CE-210	Centurion	0	1
CE-T210	Turbo Centurion	6	9
CE-P210	Pressurized Centurion	1	1
CE-188	AgHusky	0	0
CE-188	AgTruck	0	0
● Multi-Engine			
CE-303	Crusader	1	1
CE-335		0	0
CE-340		1	1
CE-402		0	1
CE-404	Titan	0	0
CE-414	Chancellor	1	2
CE-421	Golden Eagle	1	1
CE-425	Conquest I	0	0
CE-441	Conquest II	0	2
CE-500	Citation I	0	0
CE-550S/II	Citation II	2	5
CE-650	Citation III	3	3
REIMS AVIATION			
● Single-Engine			
CE-152		0	0
CE-F152	Aerobat	0	0
CE-F172	Skyhawk	0	0
CE-FR172	Hawk XP	0	0
CE-F182	Skylane	0	0
CE-F182RG	Skylane RG	0	0
TOTAL		53	106
Manufacturers net billing – $23,436,207			
AVIONS MARCEL DASSAULT			
● Multi-Engine			
AD-My.10	Falcon	0	0
AD-My.20	Falcon	0	1
AD-My.200	Falcon	0	0
AD-My.50	Falcon	0	3
TOTAL		0	4
DEHAVILLAND AIRCRAFT OF CANADA			
● Multi-Engine			
DHC-5		1	1
DHC-6	Twin Otter	0	0
DHC-7		0	1
DHC-8		3	4
TOTAL		4	6
EMBRAER			
● Single-Engine			
EMB-201	Ipanema	0	4
EMB-710	Carioca	0	0
EMB-711	Corisco	0	2
EMB-712	Tupi	2	2
EMB-720	Minuano	1	4
EMB-721	Sertanejo	0	0
● Multi-Engine			
EMB-110	Bandeirante	0	0
EMB-120	Brasilia	1	1
EMB-121	Xingu	1	2
EMB-810D	Seneca II	1	4
EMB-820		0	0
TOTAL		6	19
FAIRCHILD AIRCRAFT CORP.			
● Multi-Engine			
Merlin III-C		0	0
Fairchild 300		0	0
Merlin IV-C		0	0
Metro III		3	4
Expediter		0	0
TOTAL		3	4
GATES LEARJET			
● Multi-Engine			
LR-25D		0	0
LR-25G		0	0
LR-35A		2	2
LR-36A		0	0
LR-55		0	0
TOTAL		2	2

	Mar 86	Cal Year
[illegible]	1	9
[illegible]	9	31
[illegible]	10	20

SINGLE ENGINE
MULTI-ENGINE
GRAND TOTAL

UNIT SHIPMENTS COMPARATIVE TREND - 20 MANUFACTURERS

	March			Calendar Year to Date		
	1986	1985	1984	1986	1985	1984
Aerospatiale	10	*	*	16	*	*
Beech	19	26	36	53	58	110
British Aerospace	9	8	3	16	15	8
Britten-Norman	1	0	4	1	3	4
Canadair	1	2	*	1	1	5
Cessna	53	64	68	100	204	182
Dassault	0	1	2	4	8	5
DeHavilland	4	3	2	10	7	8
[illegible]	6	8	4	19	31	24
[illegible]	5	2	2	5	4	5
[illegible]	2	3	2	2	4	8
[illegible]	2	6	4	2	12	12
[illegible]	0	0	2	0	0	3
Lake	1	2	3	1	5	4
Maule Air Inc.	4	9	3	10	17	5
Mitsubishi	0	2	0	3	3	6
Mooney	10	7	15	26	25	30
Partenavia	1	4	1	5	7	4
Piper	23	51	70	76	133	152
Short	6	*	12	7	1	14
TOTAL	170	191	237	159	523	590

* Figures not available

118a

TOP REGIONAL PASSENGER AIRCRAFT (1985)

(Ranked by Total Available Seats Delivered)

Manufacturer/ Model	Percent of Total Fleet Seating Capacity	Total Acft in Airline Service	Fleet Flying Hours (000s)
Fairchild (Swearingen) Metro (all models).....	12.8%	200	430.8
Shorts SD3-30/3-60.......	10.7	88	206.7
Fokker/Fairchild F-27 Series............	10.0	63	139.3
Fokker F-28..............	7.0	19	52.4
deHavilland Dash 7.......	6.3	37	80.7
British Aerospace Jetstream 31...........	5.5	83	183.1
deHavilland Twin Otter...	5.4	106	181.4
Beech 99.................	5.1	106	217.9
Embraer Bandeirante......	4.7	86	167.6
British Aerospace 146 Series.............	4.0	9	27.4
Nihon YS-11..............	3.8	25	41.8
Cessna 402/404...........	3.7	198	293.0
Beech 1900...............	3.2	47	108.4
Convair 580 Series.......	2.9	43	41.9
Saab SF340...............	2.6	23	49.5
TOTAL Top Aircraft.......	87.7%	1,133 (65%)	1,928.9 (68%)
All Others in Service.....	12.3%	612 (35%)	924.8 (32%)
TOTAL Industry...........	100.0%	1,745 (100%)	2,853.7 (100%)

Note: Fleet statistics based on aircraft in scheduled service 3/1/86. Aircraft temporarily out of scheduled service have not been included here even though they may have been operated in 1985.

Source: Regional Airline Association 4/8/86

119a

STATUS OF AIRPORT & AIRWAY TRUST FUND
JANUARY 31, 1986

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	$ 7,883,584,046.66	$ 7,425,506,743.43
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund):		
Any liquid fuel except gas	7,323,000.00	28,842,000.00
Tires used on aircraft	0.00	0.00
Tubes used on aircraft	0.00	0.00
Gasoline		
1. Commercial 9 cents tax	232,000.00	907,000.00
2. Non-commercial 9 cents tax	1,852,000.00	11,511,000.00
3. Non-commercial 3 cents tax	602,000.00	3,741,000.00
4. Transp by air,seats,berths,etc.	206,722,000.00	767,763,000.00
Use of international trav fac	6,893,000.00	27,903,000.00
Transp of property and cargo	11,805,000.00	54,574,000.00
Total Tax Receipts	235,429,000.00	895,241,000.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	0.00	-330.00
2. Any liquid fuel except gas	0.00	-4,216,650.00
3. Gasoline -Retailer's tax	0.00	-1,790.00
4. Gasoline -Manufac. tax	0.00	-43,770.00
Total Reimburse For Tax Refunds	0.00	-4,262,540.00
Net Tax Receipts	235,429,000.00	890,978,460.00
C. Interest on Investments	992,956.38	405,397,647.13
Net Receipts	236,421,956.38	1,296,376,107.13
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	688,497,990.00	781,502,985.34
2. Grants-in-aid for airports	65,988,089.60	329,450,801.92
3. Facilities & equipment	45,472,157.90	213,923,774.77
4. Research engineering & development	21,319,988.95	91,278,041.94
B. NOAA weather services	0.00	6,999,450.00
C. Interest on Refund of Taxes	0.00	20.00
Total Expenditures	821,278,226.45	1,423,155,073.97
IV. BALANCE - END OF PERIOD	7,298,727,776.59	7,298,727,776.59

ASSETS :		
Undisbursed Balances:		
Airport & Airway Trust Fund	681.25	
Operations	-562,822,985.34	
Grants-in-aid for Airports	5,405,324.84	
Facilities & Equipment	-11,501,490.41	
Research Engineering & Development	15,557,696.25	
NOAA weather services	550.00	
		$ -553,360,223.41
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS:		
10-1/4% maturing JUNE 30, 1986	$ 259,501,000.00	
10-3/8% maturing JUNE 30, 1986	182,369,000.00	
10-3/4% maturing JUNE 30, 1986	7,410,218,000.00	
		7,852,088,000.00
Total Assets		7,298,727,776.59
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		$ 7,298,727,776.59
Total Liabilities and Equity		7,298,727,776.59

C6240-1

Business and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION®

Vol. 42 No. 16 April 21, 1986 Page 121

INSIDE

Massachusetts Midair Kills Four...........Page 122
NBAA Reassessing CVR/FDR Issue.......Page 122
Aerospatiale Wins Major Orders............Page 124
Business Aviation Briefs........................Page 125
Marketplace...Page 128

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

HIGHER GENERAL AVIATION TAXES INCLUDED IN CBO 'WISH LIST'

The Congressional Budget Office has published a list of proposed tax changes, including a massive increase in taxes on general aviation, as possible options to increase federal revenues or reduce federal spending outlays to help reduce the budget deficit. CBO notes in a new report, Reducing the Deficit: Spending and Revenue Options, that the Reagan Administration "has no current proposal to increase general aviation fees." General aviation interests also think GA fee increases are unlikely, but say the material in the CBO report is significant because it illustrates some of the perceptions Washington policy makers have about general aviation.

The section of the report on aviation user fees states that current passenger ticket taxes and fuel taxes "are not adequate to cover the federal government's costs of operating the air traffic control system. Charging aviation users for their total shares of these costs would raise an additional $400 million in 1987 and $2.9 billion over the 1987-1991 period." The report says "general aviation users...pay only about one-tenth of their share of all federal aviation expenditures, while commercial aviation users overpay by about 20 percent," adding that if GA fees were raised to cover 40 percent of costs in 1987 and 55 percent by 1990 "the subsidy from the general taxpayer could be largely eliminated." A 55 percent increase would boost current fuel taxes of 12 and 14 cents per gallon to 18.6 cents and 21.7 cents, respectively.

CBO said general aviation fees could be raised in several ways, including "increasing fuel taxes, imposing a sales tax on the purchase of new small planes and equipment or placing direct federal fees on general aviation." While maintaining that higher fees for general aviation "would encourage more efficient use of the nation's airport and airway system," CBO noted that "opponents argue that GA users should not be forced to pay their full share of costs for an air traffic control system that was designed to meet the needs of large commercial jets. Increased fees for general aviation would also reduce sales by the manufacturers of general aviation aircraft."

BREILING REPORT SHOWS ONLY SLIGHT RISE IN CORPORATE ACCIDENTS

A report by Robert E. Breiling Associates shows that corporate aviation had only a slight increase in its accident rate in 1985 and that the corporate accident rate has remained relatively constant over the past three years. Breiling detailed the corporate and business aircraft safety record at last week's Flight Safety Foundation 31st Corporate Aviation Safety Seminar in Cincinnati, Ohio.

Breiling said corporate aviation had 0.56 accidents per 100,000 flight hours in 1985 compared to a rate of 0.52 in 1984 (the 1984 rate was recently revised by the National Transportation Safety Board from the 0.24 that had originally been reported) and 0.50 in 1983. Breiling noted that "in general, the past three years have been relatively constant and more than three times better than the accident rates of 1981 and prior." Business flying, which is flying for business purposes by non-professional pilots, had an accident rate of 3.8 accidents per 100,000 flight hours in 1985, compared to a rate of 4.0 in 1984 and 4.2 in 1983.

Nearly 80 percent of the business aircraft accidents in 1985 occurred during the approach or landing phases of flight (see charts on the back of Pages 122-125). Breiling said that statistic "reem-

(Continued on the following page)

NOW ONLINE WORLDWIDE

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS GROUP PUBLICATIONS INC. COPYRIGHT @ 1986 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

BREILING (Cont.)

phasizes the fact that business aircraft accidents continue to occur in the same critical areas and...continue to be caused by the same human mistakes such as non-compliance with approach or missed approach procedures, non-adherence to weather minimums and operating into or out of runways of marginal length or surface conditions. Breiling, who recently published a comprehensive statistical review detailing every known business type jet accident worldwide since 1964, has been involved in analyzing aircraft accident data for more than 20 years and has presented the corporate/business aircraft safety update at the annual Flight Safety Foundation meeting every year since 1972. He said a review of accident data developed from his book shows that since 1964, 57 percent of all accidents have occurred during landing, 14 percent during approach and 13 percent in the takeoff phase (see related item on Page 125).

MILLIPORE PRESIDENT KILLED IN MIDAIR COLLISION -- The president and chief executive officer of Millipore Corp., Bedford, Mass., and three other company employes were killed last Monday when their Bell 206 helicopter collided with a Cessna 172 and crashed. The accident occurred about 11:30 a.m. on April 14 near Holliston, Mass. while the helicopter, N302MC, was making a short flight from Milford to Bedford, Mass. All four persons aboard the helicopter were killed including John Mulvaney, president and CEO of Millipore. Investigators said both aircraft were at about 2,000 feet altitude. Neither had filed a flight plan and neither aircraft had been in recent contact with air traffic controllers. The 172 apparently descended upon the helicopter's main rotor blade, part of which separated. Weather at the time was clear with 10 miles visibility. Occupants of the 172 made a forced landing, but escaped without serious injury.

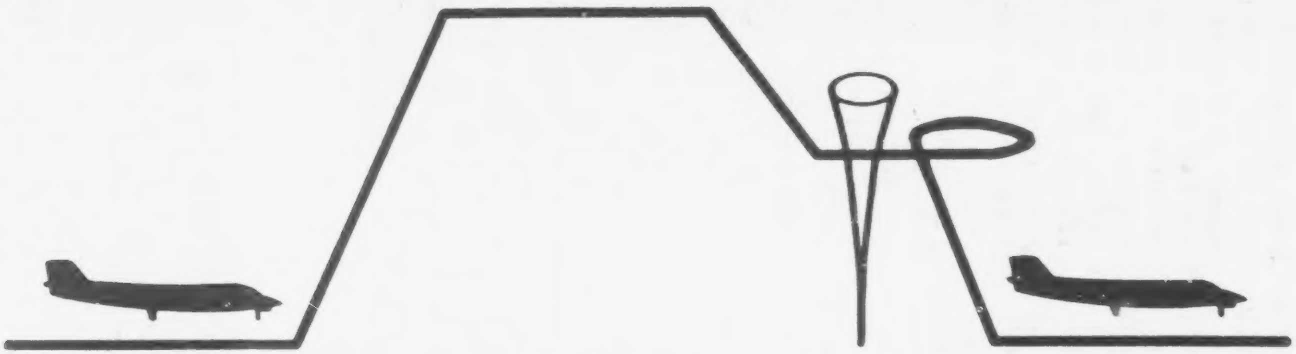
NBAA DEVELOPING POLICY ON CVR, FDR USE IN BUSINESS AIRCRAFT -- National Business Aircraft Association, which has opposed mandatory installation of cockpit voice recorders and flight data recorders in non-commercial business aircraft, is reassessing its stance on the CVR/FDR issue and is seeking input from interested parties. Robert Cooke, vice president-operations of NBAA, addressing the Flight Safety Foundation's Corporate Aviation Safety Seminar in Cincinnati, Ohio last week, said the use of CVRs and FDRs in investigating accidents and possibly preventing similar mishaps has to be weighed against a number of other factors.

Based on a cost of about $30,000 per aircraft, Cooke said a 1983 study by Trans System Corp. showed it would cost $354 million to equip the fleet of U.S.-registered turbine-powered aircraft as the National Transportation Safety Board has recommended. Based on Trans System's estimate that the "average cost" of a turbine-powered aircraft accident costs $2.5 million/five fatalities, Cooke said it would require the prevention of 123 accidents over the next 15 years to break even on the CVR/FDR investment.

In addition to cost, Cooke said there are serious questions about the liability aspects of installing recorders in corporate aircraft. He noted that FAA rules preclude the use of CVR/FDR data in prosecuting violations of the Federal Aviation Regulations, but said that Part 91 and Part 125 operators do not enjoy that protection. FAA has proposed such rulemaking, but no final action has been taken. "Another serious concern," Cooke said, "must be the use of recordings in litigation following an accident," noting that recorders "have played a significant role in airline accidents, providing tort attorneys with good guidepaths for fixing blame for their clients grievances." Cooke said many operators who might be willing to pay the price to equip their aircraft with recorders "feel very strongly that FAA needs to do its homework first in order that the equipment to be installed will be properly sanctioned and not made obsolete by a subsequent rulemaking."

SENATE FINANCE COMMITTEE APPROVES PROVISIONS FOR TAX-EXEMPT BONDS -- Senate Finance Committee Thursday approved a package of provisions on tax-exempt bonds based on a joint proposal of Sen. David Durenberger (R-Minn.) and committee Chairman Bob Packwood (R-Ore.). Package retains tax exemptions for airport bonds outside of state-by-state volume caps, including for air freight handling facilites that were included in the volume cap in the House's version of tax reform legislation. Still to be decided is whether interest on bonds will be counted in figuring alternative minimum tax. House version of the bill does count bond interest, as does Packwood's tax reform proposal.

BUSINESS AIRCRAFT ACCIDENTS BY FLIGHT PHASE



	Takeoff	Climb	Cruise	Descent	Approach	Landing
1970 - 1980	13%	9%	6%	6%	33%	30%
1980	15%	8%	8%	4%	30%	33%
1981	17%	8%	5%	4%	25%	40%
1982	15%	7%	7%	5%	22%	44%
1983	22%	2%	5%	2%	14%	53%
1984	13%	4%	8%	1%	12%	62%
1985	18%	—	—	3%	32%	47%

© Robert E. Breiling Associates

TURBOPROP ACCIDENTS

● CORPORATE OPERATORS	1980	1981	1982	1983	1984	1985
Accidents	23	23	12	11	10	14
Fatal Accidents	7	9	2	3	2	3
Fatalities	32	26	13	12	5	4
Single Pilot Operators	20	14	10	9	8	8

● Commercial / Business / Other Operators U.S.	1980	1981	1982	1983	1984	1985
Accidents	11	17	16	9	19	13
Fatal Accidents	4	6	4	5	5	7
Fatalities	11	26	17	12	12	17
Single Pilot Operators	10	15	14	17	17	8

TURBOJET ACCIDENTS

● CORPORATE OPERATORS	1980	1981	1982	1983	1984	1985
Accidents	7	9	3	7	8	9
Fatal Accidents	1	3	0	3	0	3
Fatalities	2	6	0	11	0	5

● Commercial / Business / Other Operators U.S.	1980	1981	1982	1983	1984	1985
Accidents	10	6	7	7	11	10
Fatal Accidents	4	2	2	2	6	4
Fatalities	9	3	7	4	20	12

Robert E. Breiling Associates

SUMMARY OF AIRCRAFT IN REGIONAL AIRLINE USE IN 1985

Manufacturer	Single Engine	Multi-Engine	Turboprop	Jet	Helicopter	Total
Aerospatiale.....	*	*	11	*	6	17
Beech............	3	11	148	*	*	162
Bell.............	*	*	*	*	22	22
British Aerospace............	*	*	83	14	*	97
Britten Norman...	*	34	*	*	*	34
Cessna...........	146	204	3	*	*	353
CASA.............	*	*	16	*	*	16
Convair..........	*	8	43	*	*	51
deHavilland......	45	*	158	*	*	203
Douglas..........	*	25	*	*	*	25
Embraer..........	*	*	92	*	*	92
Fairchild (Swearingen)....	*	*	200	*	*	200
Fokker...........	*	*	63	19	*	82
Grumman..........	*	19	20	*	*	39
Nihon............	*	*	25	*	*	25
Piper............	51	138	2	*	*	191
SAAB.............	*	*	23	*	*	23
Shorts...........	*	*	88	*	*	88
Misc*............	2	*	14	1	8	25
TOTAL 1985	247	439	989	34	36	1,745
TOTAL 1984	219	528	938	27	35	1,747
CHANGE	+28	-89	+51	+7	+1	-2

AIRCRAFT IN EXCLUSIVE CARGO USE

TOTAL-All Make and Models	16	72	33	0	*	121
TOTAL ACFT ALL USES	**263**	**511**	**1,022**	**34**	**36**	**1,866**
Percent Change 85 versus 84	**+9%**	**-17%**	**+3%**	**+17%**	**+3%**	**-3%**

*Misc.--Aero Commander (5); Dornier (6); Helio (2); Hughes (1); Lear (1); MBB (1); Mitsubishi (3); Sikorsky (6)

Source: Regional Airline Association 4/8/86

C6240-1

Business and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION®

Vol. 42 No. 18 May 5, 1986 Page 137

INSIDE

FAA Issues V-Tail Bonanza Report.......Page 138
N.E. Jet Buys Bethlehem Facility.........Page 139
Cascade Files Chapter 7......................Page 140
Business Aviation Briefs.......................Page 141
Marketplace...Page 144

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

REAGAN ADMINISTRATION PRODUCT LIABILITY BILL INTRODUCED IN SENATE

Reagan Administration last week proposed legislation aimed at reducing product liability costs, and the measure—the Product Liability Reform Act of 1986—was subsequently introduced in the Senate by Sen. Bob Kasten (R-Wis.). The bill will be substituted for Kasten's earlier S.100 proposal. The Administration proposal incorporates many of the recommendations suggested earlier in a Justice Department study including a return to a fault-based liability system, elimination of joint and several liability in cases where defendants did not act in concert, limits on non-economic damage awards, limits on the percentage of awards that attorneys could collect in contingency fees and provisions for alternative dispute resolutions (BA, March 24/89).

In introducing the bill, which was referred to the Senate Commerce Committee, Kasten said it "attacks the No. 1 problem for consumers in America: the explosion in product liability costs." Kasten said he believes there also should be provisions to limit the liability of nonmanufacturer sellers to only their own negligence and to establish "a firm, fair and fixed statute of repose," that would limit a manufacturer's liability to a certain amount of time following production of a particular product. The Reagan Administration proposal does not contain such provisions.

Backing of the Reagan Administration is expected to improve the chances for passage of product liability legislation, but it is unclear whether Congress will pass a bill this year. A number of different product liability reform measures have been introduced in Congress this year, but hearings have not been held on most of them (see related item on Page 133).

GA GROUPS PUSH FOR MORE REVISIONS IN FRINGE BENEFIT REGULATIONS

General aviation interest groups testifying at last week's Internal Revenue Service hearing on temporary fringe benefit tax regulations said that despite "significant improvements," they still have "some basic differences with the underlying philosophy of the regulations and their complexity," according to Edward Stimpson, president of the General Aviation Manufacturers Association. Most objectionable is the 50 percent seating rule, which considers seating capacity to be "the maximum number of seats that have at any time been on the aircraft while owned or leased by the employer." Revised temporary regulations were published in the Dec. 23 issue of the Federal Register (BA, Dec. 23/201).

Stimpson said that since IRS first published the regulations in December 1984 (BA, Jan. 7, 1985/1), they have been "a negative factor in a severely depressed marketplace for new aircraft." Stimpson said the 50 percent seating rule "fails to consider practical problems of compliance...regular passenger seating capacity can be reduced by modifications, yet such changes are not considered in the regulations."

John Yodice, general counsel for the Aircraft Owners and Pilots Association said the revised regulations were drafted without considering the fact that "85 percent of aircraft weighing less than 6,000 pounds are flown by 'non-professional' pilots." Rules were drafted, he said "without consideration of those pilots." If capacity is measured by occupants, rather than the number of seats, he said, maximum flexibility of a business aircraft can be achieved.

(Continued on the following page)

NOW ONLINE WORLDWIDE

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS GROUP PUBLICATIONS INC. COPYRIGHT © 1986 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

AIRPORT & AIRWAY TRUST FUND
Status As Of Feb. 28, 1986

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	$ 7,298,727,776.59	$ 7,425,506,743.43
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund):		
Any liquid fuel except gas	6,989,000.00	35,831,000.00
Tires used on aircraft	0.00	0.00
Tubes used on aircraft	0.00	0.00
Gasoline		
1. Commercial 9 cents tax	218,000.00	1,125,000.00
2. Non-commercial 9 cents tax	1,767,000.00	13,278,000.00
3. Non-commercial 3 cents tax	564,000.00	4,305,000.00
4. Transp by air,seats,berths,etc.	204,637,000.00	972,400,000.00
Use of international trav fac	7,034,000.00	34,937,000.00
Transp of property and cargo	12,269,000.00	66,843,000.00
Total Tax Receipts	233,478,000.00	1,128,719,000.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	-141.00	-471.00
2. Any liquid fuel except gas	-1,976,486.00	-6,193,136.00
3. Gasoline -Retailer's tax	0.00	-1,790.00
4. Gasoline -Manufac. tax	0.00	-43,770.00
Total Reimburse For Tax Refunds	-1,976,627.00	-6,239,167.00
Net Tax Receipts	231,501,373.00	1,122,479,833.00
C. Interest on Investments	1,949,293.81	407,346,940.94
Net Receipts	233,450,666.81	1,529,826,773.94
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	-415,442,010.00	366,060,975.34
2. Grants-in-aid for airports	69,643,325.04	399,094,126.96
3. Facilities & equipment	58,128,149.99	272,051,924.76
4. Research engineering & development	21,502,680.50	112,780,722.44
B. NOAA weather services	0.00	6,999,450.00
C. Interest on Refund of Taxes	35.00	55.00
Total Expenditures	-266,167,819.47	1,156,987,254.50
IV. BALANCE - END OF PERIOD	7,798,346,262.87	7,798,346,262.87
ASSETS :		
Undisbursed Balances:		
Airport & Airway Trust Fund	313.06	
Operations	-4,975.34	
Grants-in-aid for Airports	648,999.80	
Facilities & Equipment	29,111,359.60	
Research Engineering & Development	13,661,015.75	
NOAA weather services	0.00	
		$ 43,416,712.87
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS:		
10-1/4% maturing JUNE 30, 1986	$ 162,342,000.00	
10-3/8% maturing JUNE 30, 1986	182,369,000.00	
10-3/4% maturing JUNE 30, 1986	7,410,218,000.00	
		7,754,929,000.00
Total Assets		7,798,345,712.87
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		$ 7,798,345,712.87
Total Liabilities and Equity		7,790,345,712.87

Treasury Department Chart

C6240-1

Business Aviation

THE WEEKLY OF BUSINESS AVIATION®

Vol. 42 No. 20 May 19, 1986 Page 153

INSIDE

Charges Against Omni Dismissed.........Page 154
House Slot Sale Bill Introduced..........Page 155
April Shipments and Billings................Page 157
Business Aviation Briefs.......................Page 158
Marketplace.......................................Page 160

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

NBAA NAMES FAA'S JONATHAN HOWE TO SUCCEED WINANT AS PRESIDENT

Jonathan Howe, 48, a veteran FAA executive, was named by the National Business Aircraft Association Thursday to succeed NBAA President John Winant later this year. Howe, an attorney and active pilot who holds an Air Transport Pilot rating and has 6,400 flight hours in a wide variety of aircraft, had been director of FAA Southern Region headquarters in Atlanta until he was reassigned to FAA headquarters in Washington in mid-March (BA, March 17/82). His reassignment—to work on plans regarding the future organizational structure of FAA—was widely interpreted as a political move ordered by Transportation Department officials that occurred despite the strong objections of FAA Administrator Donald Engen.

Winant told BA Friday that the NBAA search committee charged with finding his replacement and the full board of directors was fully informed about the circumstances surrounding Howe's reassignment. "On the grand scale of things they thought it was a real small thing," Winant said that would not be any sort of detriment to Howe's being an effective NBAA president. He said the search committee had talked with Howe before the "flap" with DOT arose. NBAA Chairman Preston Parish said Howe "will bring us exactly the right set of credentials, knowledge and experience needed to manage the many and great challenges which business aviation will face in the coming years."

Heading an FAA region is regarded as one of the best jobs within FAA and the Southern Region, which Howe headed from 1981 until early this year, is the agency's largest, including responsibility for aviation matters in eight southeastern states, the Caribbean area and FAA's international aviation activities in Central and South America. Howe, a graduate of Yale University and Yale Law School, is a Marine Corps veteran who joined FAA in Washington as a regulations attorney in 1963. He served in a number of executive posts within the agency including deputy chief counsel at FAA headquarters and deputy director of the Northwest Region before taking over the Southern Region.

Winant, 62, announced last year that he planned to retire (BA, Dec. 16/194). He has been president of NBAA since 1971. Howe will join NBAA on a full time basis Sept. 1 as president designate and will take over as president on Dec. 1.

GAO CALLS FAA'S INSPECTION PROCEDURES 'INSUFFICIENT'

The Federal Aviation Administration at present, "cannot say with assurance that airlines are complying with safety regulations" according to a General Accounting Office report. Testifying before the House aviation subcommittee, Herbert McClure, an associate director of the GAO, said currently, and for the foreseeable future, FAA has "no adequate way of knowing if field managers are complying with inspection priorities and minimum inspection standards."

GAO maintained that while FAA needs more inspectors, it is not prepared to absorb an increase at this time. "FAA does not know how many of its existing inspectors are now assigned to commercial airlines, commuter airlines or private and business aircraft...it knows that some general aviation inspectors are assigned to scheduled Part 121 airlines, but it does not know how many. We believe that before FAA can effectively allocate a planned increase it must first identify how its current work force is being used," McClure said.

(Continued on the following page)

NOW ONLINE WORLDWIDE

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS GROUP PUBLICATIONS INC. COPYRIGHT © 1986 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

BUSINESS/PERSONAL AIRCRAFT INDUSTRY – APRIL UNIT SHIPMENTS

		Apr. 86	Cal. Year
AEROSPATIALE GENERAL AVIATION			
• Single-Engine			
TB9	Tampico	0	1
TB-10	Tobago	8	17
TB-20	Trinidad	4	8
TB-21	Trinidad TC	0	0
R110		0	1
R180		0	0
R235		0	0
TOTAL		12	27
BEECH AIRCRAFT CORP.			
• Single-Engine			
BE-77	Skipper	0	0
BE-C23	Sundowner	0	0
BE-C24R	Sierra	0	0
BE-F33A	Bonanza	2	5
BE-A36	Bonanza	5	23
BE-V35B	Bonanza	0	0
BE-B36TC	Bonanza	0	5
• Multi-Engine			
BE-B55	Baron	0	0
BE-E55	Baron	0	0
BE-58	Baron	2	4
BE-58TC	Baron	0	0
BE-58P	Baron	1	2
BE-76	Duchess	0	0
BE-860	Duke	0	0
BE-C99	Airliner	0	0
BE-C90-1	King Air	2	3
BE-F90-1	King Air	0	0
BE-B100	King Air	0	0
BE-200	Super King Air	1	8
BE-200C	Super King Air	0	0
BE-300	Super King Air	2	9
BE-200T	Super King Air	0	0
BE-1900C	Commuter	1	4
	Beechjet Diamond IA	1	7
TOTAL		17	70
Manufacturers net billing – $15,207,933			
BRITISH AEROSPACE			
• Multi-Engine			
BAe	Jetstream 31	5	14
HS-748		0	1
BAe 146-100		1	2
BAe 146-200		1	3
HS-125-800	Model A	1	4
HS-125-800	Model B	0	0
TOTAL		8	24
PILATUS BRITTEN-NORMAN LTD.			
• Multi-Engine			
BN-2B	Islander	0	0
BN-2T	Islander	1	2
Mark III	Trislander	0	0
TOTAL		1	2
CANADAIR LIMITED			
• Multi-Engine			
CL-600	Challenger	0	0
CL-601	Challenger	1	2
TOTAL		1	2
CESSNA AIRCRAFT CO.			
• Single-Engine			
CE-152		0	0
CE-A152	Aerobat	0	0
CE-172	Skyhawk	16	53
CE-172	Cutlass	0	0
CE-172RG	Cutlass	1	1
CE-182	Skylane	5	18
CE-182	Turbo Skylane	0	1
CE-182RG	Skylane RG	1	3
CE-182RG	Turbo Skylane RG	1	1
CE-185	Skywagon	0	0
CE-U206	Stationair 6	5	16
CE-TU206	Turbo Stationair 6	1	11
CE-207	Stationair 8	0	0
CE-TU207	Turbo Stationair 8	0	0
CE-208	Caravan	3	8
CE-210	Centurion	3	4
CE-T210	Turbo Centurion	6	15
CE-P210	Pressurized Centurion	1	2
CE-188	AgHusky	0	0
CE-188	AgTruck	0	0
• Multi-Engine			
CE-303	Crusader	0	1
CE-335		0	0
CE-340		4	5
CE-402		0	1
CE-404	Titan	0	0
CE-414	Chancellor	0	2
CE-421	Golden Eagle	0	1
CE-425	Conquest I	0	0
CE-441	Conquest II	0	2
CE-500	Citation I	0	0
CE-550S/II	Citation II	1	6
CE-650	Citation III	0	2
REIMS AVIATION			
• Single-Engine			
CE-152		0	0
CE-F152	Aerobat	0	0
CE-F172	Skyhawk	0	0
CE-FR172	Hawk XP	0	0
CE-F182	Skylane	0	0
CE-F182RG	Skylane RG	0	0
TOTAL		48	153
Manufacturers net billing – $8,894,846			
AVIONS-MARCEL DASSAULT			
• Multi-Engine			
AD-My.10	Falcon	0	0
AD-My.20	Falcon	0	1
AD-My.200	Falcon	1	1
AD-My.50	Falcon	2	5
TOTAL		3	7
DEHAVILLAND AIRCRAFT OF CANADA			
• Multi-Engine			
DHC-5		1	2
DHC-6	Twin Otter	0	0
DHC-7		0	1
DHC-8		5	9
TOTAL		6	12
EMBRAER			
• Single-Engine			
EMB-201	Ipanema	2	6
EMB-710	Carioca	0	0
EMB-711	Corisco	0	2
EMB-712	Tupi	0	2
EMB-720	Minuano	3	7
EMB-721	Sertanejo	0	0
• Multi-Engine			
EMB-110	Bandeirante	0	0
EMB-120	Brasilia	0	1
EMB-121	Xingu	0	2
EMB-810D	Seneca II	5	9
EMB-820		0	0
TOTAL		10	29
FAIRCHILD AIRCRAFT CORP.			
• Multi-Engine			
Merlin III-C		0	0
Fairchild 300		0	0
Merlin IV-C		0	0
Metro III		5	9
Expediter		0	0
TOTAL		5	9
GATES LEARJET			
• Multi-Engine			
LR-25D		0	0
LR-25G		0	0
LR-35A		2	4
LR-36A		0	0
LR-55		0	0
TOTAL		2	4

		Apr. 86	Cal. Year
GULFSTREAM AEROSPACE			
• Multi-Engine			
GR-1159A	Gulfstream III	1	3
AE-840	Turbo Commander	0	0
AE-900	Commander 900	0	0
AE-980		0	0
AE-1000		0	1
TOTAL		1	4
ISRAEL AIRCRAFT INDUSTRIES			
• Multi-Engine			
1124	Westwind 1	0	0
1124A	Westwind 2	0	1
	Astra	0	0
TOTAL		0	1
LAKE AIRCRAFT			
• Single-Engine			
LA-4-200EP		1	1
LA-250	Renegade	2	4
TOTAL		3	5
MAULE AIR INC.			
• Single-Engine			
M-5-180C		0	2
M-5-200		0	0
M-5-235C	Lunar Rocket	1	2
M-6-235		0	1
MX-7-180	Super Rocket	0	1
M-7-235	Super Rocket	1	3
MX-7-235		3	11
TOTAL		5	20
Manufacturers net billing – $263,837.18			
MOONEY AIRCRAFT CORP.			
• Single-Engine			
M-20J	201	7	12
M-20K	231	8	29
TOTAL		15	41

		Apr. 86	Cal. Year
PARTENAVIA S.P.A.			
• Multi-Engine			
P68C		1	3
P68C-TC		1	2
P68 Observer		0	2
P68 Observer TC		1	1
Spartacus		0	0
TOTAL		3	8
PIPER AIRCRAFT CORP.			
• Single-Engine			
PA-38-112	Tomahawk	0	0
PA-28-161	Warrior	19	32
PA-28-181	Archer II	44	23
PA-28-236	Dakota	0	4
PA-28RT-201T	Turbo Arrow IV	1	1
PA-32-301	Saratoga	0	3
PA-32R-301	Saratoga SP	0	1
PA-32R-301T	Turbo Saratoga SP	0	3
PA-46-310P	Malibu	4	24
• Multi-Engine			
PA-31-350	Chieftain	0	0
PA-31P-350	Mojave	0	0
PA-31-500	Cheyenne I	0	0
PA-31-500	Cheyenne IA	1	2
PA-42-720	Cheyenne III	0	1
PA-42-720	Cheyenne IIIA	1	1
PA-42-1000	Cheyenne 400LS	0	1
PA-34-220T	Seneca III	3	13
PA-44-180	Seminole	0	0
PA-44-180T	Turbo Seminole	0	0
PA-T1020		0	0
PA-T1040		0	0
TOTAL		33	109
Manufacturers net billing – $5,129,794			
SHORT BROTHERS LTD.			
• Multi-Engine			
SBJ-CS-7	Skyvan	0	1
SD-3-30		0	0
SD-3-60		0	6
TOTAL		0	7
	SINGLE-ENGINE	118	367
	MULTI-ENGINE	60	167
	GRAND-TOTAL	178	534

UNIT SHIPMENTS COMPARATIVE TREND: 20 MANUFACTURERS

	April			Calendar Year to Date		
	1986	1985	1984	1986	1985	1984
Aerospatiale	12	*	*	27	*	*
Beech	17	23	36	70	81	146
British Aerospace	8	8	4	24	20	12
Britten Norman	1	0	1	2	0	1
Canadair	1	0	0	2	2	5
Cessna	48	65	81	153	269	273
Dassault	3	2	1	7	8	7
DeHavilland	6	7	0	12	14	8
Embraer	10	10	8	29	41	32
Fairchild	5	2	3	9	6	8
Gates	2	3	2	4	7	5
Gulfstream	1	1	1	4	13	13
Israel	0	0	2	0	0	3
Lake	3	1	4	5	6	8
Maule Air Inc.	5	8	5	20	25	12
Mitsubishi	0	0	0	0	3	7
Mooney	15	10	13	41	35	43
Partenavia	3	0	2	8	7	6
Piper	33	47	67	109	180	219
Short	0	1	2	7	2	14
TOTAL	178	188	232	534	719	822

* Figures not available.

JUN 02 REC'D

C6240-1

Business
Aviation

THE WEEKLY OF BUSINESS AVIATION®

Vol. 42 No. 22 June 2, 1986 Page 169

INSIDE

Fringe Benefit Repeal Urged............Page 170
Air Ontario Orders 24 Dash 8s..........Page 171
Hearing on FSS Program Set............Page 172
Business Aviation Briefs....................Page 173
Marketplace...Page 176

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

CESSNA SUSPENDS ALL PISTON-POWERED AIRCRAFT PRODUCTION

Cessna Aircraft suspended production last week of the last five piston-powered aircraft models it had been building and said production of those models will not resume before October of 1987. Citing soaring product liability costs and little market demand, Cessna said it will lay off about 900 salaried and non-salaried workers by the end of July. Models affected are the 172, 182, 206, 210 and 402. Cessna will continue building the Citation S/II and Citation III business jets, the Caravan I and II utility turboprops and the Model 441 Conquest turboprop. The Model 425 turboprop is not currently in production, but Cessna does plan to build more of those when current inventory is brought down.

"This is the sixth consecutive year of severely depressed piston sales," said Cessna Chairman Russ Meyer "and we cannot continue to sustain the financial losses which result from such low production rates." He said that because of increased flight activity, substantially fewer aircraft in inventory, lower interest rates and decreasing fuel costs, "we had expected the market to begin to recover this year. However, that recovery has not materialized." Meyer said the cost of product liability insurance—"the largest single component by far in the cost of a piston aircraft"—was one major factor in the production suspension decision.

Through April Cessna had delivered 153 aircraft and reported aircraft revenues of just over $51 million. Meyer had indicated earlier that the company's revenues this year would be $600-$650 million. Brian Barents, senior vice president-marketing, told BA that figure would have been attainable despite extremely low sales in the first four months because of an expected upturn in sales of turbine-powered models later this year. As a result of the decision to suspend piston production, the 1986 sales figures "will be adjusted downward," Barents said, but he would not estimate what sales for the year will be.

Barents agreed that product liability costs were the major reason for the decision, but said the lack of market demand for new aircraft also was a factor. "Piston activity is quite low," Barents said, adding that "we're being hurt by the used aircraft marketplace," which he indicated is satisfying most of the demand for aircraft. Cessna currently has less than a 60-day supply of piston models on hand, not counting inventory in the hands of dealers and distributors. That is a relatively low level of inventory by historical standards, but is not low considering current market conditions, Barents said.

Meyer said the decision to suspend piston production "does not change Cessna's commitment to a full line of general aviation aircraft." Barents said Cessna will actively support the existing piston fleet and its distribution organization by continuing to provide parts, technical information and service support. Regarding a resumption of production of piston-powered models, Barents said, "when demand gets to the point where it's economically feasible to produce them, we're going to be there."

STARSHIP TO BE CERTIFICATED TO STANDARDS NOT YET ADOPTED

Beech Aircraft Corp., which announced a week ago that certification of its all-composite pusher prop Starship aircraft will slip at least a year (BA, May 26/162), plans to certificate the plane to new standards that have not yet been adopted by the Federal Aviation Administration. Although the nine-to-10-place Starship is designed for business/corporate aviation operators, the company now plans to certificate it under standards designed for commuter category airplanes with maximum takeoff weights

(Continued on the following page)

NOW ONLINE WORLDWIDE

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS GROUP PUBLICATIONS INC. COPYRIGHT © 1986 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

STATUS OF AIRPORT & AIRWAY TRUST FUND
20X8103
MARCH 31, 1986

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	$ 7,798,346,262.87	$ 7,425,506,743.43
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund):		
Any liquid fuel except gas	2,453,000.00	38,284,000.00
Tires used on aircraft	0.00	0.00
Tubes used on aircraft	0.00	0.00
Gasoline		
1. Commercial 9 cents tax	225,000.00	1,350,000.00
2. Non-commercial 9 cents tax	6,055,000.00	19,333,000.00
3. Non-commercial 3 cents tax	1,981,000.00	6,286,000.00
4. Transp by air,seats,berths,etc.	175,629,000.00	1,148,029,000.00
Use of international trav fac	5,790,000.00	40,727,000.00
Transp of property and cargo	-5,302,000.00	61,541,000.00
Total Tax Receipts	186,831,000.00	1,315,550,000.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	0.00	-471.00
2. Any liquid fuel except gas	0.00	-6,193,136.00
3. Gasoline -Retailer's tax	0.00	-1,790.00
4. Gasoline -Manufac. tax	0.00	-43,770.00
Total Reimburse For Tax Refunds	0.00	-6,239,167.00
Net Tax Receipts	186,831,000.00	1,309,310,833.00
C. Interest on Investments	556,528.73	407,903,469.67
Net Receipts	187,387,528.73	1,717,214,302.67
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	54,285,690.00	420,346,665.34
2. Grants-in-aid for airports	44,835,845.58	443,929,972.54
3. Facilities & equipment	79,768,916.77	351,820,841.53
4. Research engineering & development	36,564,991.13	149,345,713.57
B. NOAA weather services	6,999,450.00	13,998,900.00
C. Interest on Refund of Taxes	0.00	55.00
Total Expenditures	222,454,893.48	1,379,442,147.98
IV. BALANCE - END OF PERIOD	7,763,278,898.12	7,763,278,898.12

ASSETS :		
Undisbursed Balances:		$
Airport & Airway Trust Fund	841.79	
Operations	-4,665.34	
Grants-in-aid for Airports	2,565,154.22	
Facilities & Equipment	7,867,442.83	
Research Engineering & Development	1,096,024.62	
NOAA weather services	1,100.00	
		$ 11,525,898.12
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS:		
10-1/4% maturing JUNE 30, 1986	$ 159,166,000.00	
10-3/8% maturing JUNE 30, 1986	182,369,000.00	
10-3/4% maturing JUNE 30, 1986	7,410,218,000.00	
		7,751,753,000.00
Total Assets		7,763,278,898.12
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		$ 7,763,278,898.12
Total Liabilities and Equity		7,763,278,898.12

173a

C6240-1

Business Aviation

THE WEEKLY OF BUSINESS AVIATION

Vol. 42 No. 24 June 16, 1986 Page 185

INSIDE

New GA Customs Fees Adopted........Page 186
Mooney Model 205 Certificated........Page 187
May Shipments and Billings................Page 189
Business Aviation Briefs...................Page 190
Marketplace.......................................Page 192

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

ATA URGES REMOVAL OF ATC, AIRPORTS FUNCTIONS FROM FAA

Air Transport Association's board of directors voted Wednesday to support formation of a new federal aviation authority that would take over responsibility for the nation's air traffic control and airport systems from the Federal Aviation Administration. Following up on a study it commissioned by the National Academy of Public Administration, ATA said "the airlines are committing themselves fully to this endeavor as the best possible means of assuring continued improvement in safety and capacity for U.S. air transportation."

ATA President William F. Bolger said the authority "would be responsible for funding and managing the nation's air traffic control system and the national airport development and grant program. As currently envisioned, the authority would be Congressionally chartered as a federal corporation and headed by a chief executive appointed by the President with the advice and consent of the Senate. It would be counseled by an advisory board of members from the legislative and executive branches of government."

Intensified Lobbying Effort Expected

ATA has been quietly seeking support for a major structural change in the federal government's operation of the national airspace system for several months and last week's approval by the ATA board signals the start of an intensified lobbying effort. Bolger is scheduled to make a presentation on the ATA proposal this Tuesday to the Regional Airline Association convention in Washington and numerous other briefings are being planned (see related item on Page 190). A spokesman said ATA hopes to see legislation proposing formation of such a federal corporation introduced in Congress before the July 4th recess, which begins June 27, although substantive Congressional action is not expected this year.

Key Questions Remain Unanswered

The spokesman for ATA said the organization has not made final decisions on a number of key issues, but it is clear that ATA policy makers stopped far short of endorsing the entire scope of the NAPA recommendations. The NAPA study called for a new federal corporation to assume nearly all of FAA's current responsibilities and also said that it should report to the Secretary of Transportation, although the new government entity would technically not be part of DOT (BA, April 14/113). The resolution of questions about the new authority's relationship with DOT, the makeup and specific responsibilities of the advisory board and other issues remain to be "worked out with other members of the aviation community," the spokesman said. He acknowledged that ATA officials "have ideas" on how those questions should be answered, but added "I don't think they want to put of lot of things out there for people to shoot at" until ATA has met with other aviation lobbying groups and representatives of key members of Congress.

There is widespread frustration in the aviation community with FAA's inability—because of fiscal, organizational and political constraints—to address problems quickly. The issue of restructuring FAA is expected to receive considerable attention during next year's session of Congress, which must reauthorize key aviation legislation that is now scheduled to expire Sept. 30, 1987. The Aircraft Owners and Pilots Association has been advocating the removal of FAA from DOT and adoption of a mechanism to guarantee that aviation user taxes are spent for aviation programs (BA, April 28/131).

NOW ONLINE WORLDWIDE

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS GROUP PUBLICATIONS INC. COPYRIGHT © 1986 NEWS GROUP PUBLICATIONS INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS $138.

BUSINESS/PERSONAL AIRCRAFT INDUSTRY – MAY UNIT SHIPMENTS

		May 86	Cal. Year
AEROSPATIALE GENERAL AVIATION			
• Single-Engine			
TB-9	Tampico	1	2
TB-10	Tobago	2	19
TB-20	Trinidad	6	14
TB-21	Trinidad TC	1	1
R110		0	1
R180		0	0
R235		0	0
TOTAL		10	37
BEECH AIRCRAFT CORP.			
• Single-Engine			
BE-77	Skipper	0	0
BE-C23	Sundowner	0	0
BE-C24R	Sierra	0	0
BE-F33A	Bonanza	2	7
BE-A36	Bonanza	3	26
BE-V35B	Bonanza	0	0
BE-B36TC	Bonanza	1	6
• Multi-Engine			
BE-B55	Baron	0	0
BE-E55	Baron	0	0
BE-58	Baron	2	6
BE-58TC	Baron	0	0
BE-58P	Baron	0	2
BE-76	Duchess	1	1
BE-860	Duke	0	0
BE-C99	Airliner	0	0
BE-C90-1	King Air	0	3
BE-F90-1	King Air	1	1
BE-B100	King Air	0	0
BE-200	Super King Air	4	12
BE-200C	Super King Air	0	0
BE-300	Super King Air	2	11
BE-200T	Super King Air	0	0
BE-1900C	Commuter	2	6
Beechjet 400	Diamond IA	1	8
TOTAL		19	89
Manufacturers net billing – $23,585,896.25			
BRITISH AEROSPACE			
• Multi-Engine			
BAe	Jetstream 31	4	18
HS-748		0	1
BAe 146-100		*	2
BAe 146-200		*	3
HS-125-800	Model A	*	4
HS-125-800	Model B	*	0
TOTAL		4	28
PILATUS BRITTEN-NORMAN			
• Multi-Engine			
BN-2B	Islander	0	0
BN-2T	Islander	1	3
Mark III	Trislander	0	0
TOTAL		1	3
CANADAIR LTD.			
• Multi-Engine			
CL-600	Challenger	0	0
CL-601	Challenger	2	4
TOTAL		2	4
CESSNA AIRCRAFT CO.			
• Single-Engine			
CE-152		0	0
CE-A152	Aerobat	0	0
CE-172	Skyhawk	14	67
CE-172	Cutlass	0	0
CE-172RG	Cutlass	0	1
CE-182	Skylane	3	21
CE-182	Turbo Skylane	0	1
CE-182RG	Skylane RG	1	4
CE-182RG	Turbo Skylane RG	0	1
CE-185	Skywagon	0	0
CE-U206	Stationair 6	8	24
CE-TU206	Turbo Stationair 6	3	14
CE-207	Stationair 8	0	0
CE-TU207	Turbo Stationair 8	0	0
CE-208	Caravan	3	11
CE-210	Centurion	2	6
CE-T210	Turbo Centurion	8	23
CE-P210	Pressurized Centurion	1	3
CE-188	AgHusky	0	0
CE-188	AgTruck	0	0
• Multi-Engine			
CE-303	Crusader	0	1
CE-335		0	0
CE-340		0	5
CE-402		0	1
CE-404	Titan	0	0
CE-414	Chancellor	1	3
CE-421	Golden Eagle	0	1
CE-425	Conquest I	3	3
CE-441	Conquest II	1	3
CE-500	Citation I	0	0
CE-550S/II	Citation II	1	7
CE-650	Citation III	2	4
REIMS AVIATION			
• Single-Engine			
CE-F152		0	0
CE-F152	Aerobat	0	0
CE-F172	Skyhawk	0	0
CE-FR172	Hawk XP	0	0
CE-F182	Skylane	0	0
CE-F182RG	Skylane RG	0	0
TOTAL		51	204
Manufacturers net Billing – $25,920,331			
AVIONS-MARCEL DASSAULT			
• Multi-Engine			
AD-My.10	Falcon	0	0
AD-My.20	Falcon	0	1
AD-My.200	Falcon	0	1
AD-My.50	Falcon	1	6
TOTAL		1	8
DE HAVILLAND AIRCRAFT OF CANADA			
• Multi-Engine			
DHC-5		0	2
DHC-6	Twin Otter	0	0
DHC-7		0	1
DHC-8		4	13
TOTAL		4	16
EMBRAER			
• Single-Engine			
EMB-201	Ipanema	0	6
EMB-710	Carioca	0	0
EMB-711	Corisco	1	3
EMB-712	Tupi	1	3
EMB-720	Minuano	3	10
EMB-721	Sertanejo	0	0
• Multi-Engine			
EMB-110	Bandeirante	0	0
EMB-120	Brasilia	1	2
EMB-121	Xingu	1	3
EMB-810D	Seneca II	4	13
EMB-820		0	0
TOTAL		11	40
FAIRCHILD AIRCRAFT CORP.			
• Multi-Engine			
Merlin III-C		0	0
Fairchild 30		0	0
Merlin IV-C		0	0
Metro III		5	14
TOTAL		5	14
GATES LEARJET			
• Multi-Engine			
LR-25D		0	0
LR-25G		0	0
LR-35A		0	4
LR-36A		0	0
LR-55		1	1
TOTAL		1	5

		May 86	Cal. Year
GULFSTREAM AEROSPACE			
• Multi-Engine			
GR-1159A	Gulfstream III	2	5
AE-840	Turbo Commander	0	0
AE-900	Commander 900	0	0
AE-980		0	0
AE-1000		0	1
TOTAL		2	6
ISRAEL AIRCRAFT INDUSTRIES			
• Multi-Engine			
1124	Westwind 1	0	0
1124A	Westwind 2	1	2
	Astra	0	0
TOTAL		1	2
LAKE AIRCRAFT			
• Single-Engine			
LA-4-200EP		2	3
LA-250	Renegade	2	6
TOTAL		4	9
MAULE AIR INC.			
• Single-Engine			
M-5-180C		1	3
M-5-200		0	0
M-5-235C	Lunar Rocket	1	3
M-6-235		0	1
MX-7-180	Super Rocket	1	2
M-7-235	Super Rocket	1	4
MX-7-235		2	13
TOTAL		6	26
Manufacturers net billing – $284,911.27			
MOONEY AIRCRAFT CORP.			
• Single-Engine			
M-20J	201	2	14
M-20K	252	8	37
TOTAL		10	51
PARTENAVIA S.P.A.			
• Multi-Engine			
P68C		0	3
P68C-TC		0	2
P68	Observer	1	3
P68	Observer TC	0	1
Spartacus		1	1
TOTAL		2	10

		May 86	Cal. Year
PIPER AIRCRAFT CORP.			
• Single-Engine			
PA-38-112	Tomahawk	0	0
PA-28-161	Warrior	1	33
PA-28-181	Archer II	0	23
PA-28-236	Dakota	0	4
PA-28RT-201T	Turbo Arrow IV	0	1
PA-32-301	Saratoga	2	5
PA-32R-301	Saratoga SP	0	1
PA-32R-301T	Turbo Saratoga SP	0	3
PA-46-310P	Malibu	6	30
• Multi-Engine			
PA-31-350	Chieftain	0	0
PA-31P-350	Mojave	0	0
PA-31-500	Cheyenne I	0	0
PA-31-500	Cheyenne IA	0	2
PA-42-720	Cheyenne III	0	1
PA-42-720	Cheyenne IIIA	0	1
PA-42-1000	Cheyenne 400LS	1	2
PA-34-220T	Seneca III	3	16
PA-44-180	Seminole	0	0
PA-44-180T	Turbo Seminole	0	0
PA-T1020		0	0
PA-T1040		0	0
TOTAL		13	122
Manufacturers net billing – $3,197,987			
SHORT BROTHERS LTD.			
• Multi-Engine			
SBJ-CS-7	Skyvan	0	1
SD-3-30		1	1
SD-3-60		3	9
TOTAL		4	11
	SINGLE-ENGINE	93	460
	MULTI-ENGINE	58	225
	GRAND-TOTAL	151	685

UNIT SHIPMENTS COMPARATIVE TREND: 19 MANUFACTURERS

	May			Calendar Year to Date		
	1986	1985	1984	1986	1985	1984
Aerospatiale	10	*	*	37	*	*
Beech	19	31	33	89	108	177
British Aerospace	4	8	4	28	28	16
Britten-Norman	1	3	1	3	3	5
Canadair	2	0	4	4	1	10
Cessna	51	76	53	204	345	326
Dassault	1	1	3	8	9	10
De Havilland	4	2	2	16	16	10
Embraer	11	3	7	40	44	39
Fairchild	5	2	1	14	8	9
Gates	1	2	3	5	9	8
Gulfstream	2	4	6	6	17	19
Israel	1	0	0	2	0	3
Lake	4	1	4	9	7	12
Maule Air	6	8	7	26	33	9
Mooney	10	4	6	51	39	49
Partenavia	2	*	*	10	*	*
Piper	13	51	56	122	231	275
Short	4	*	2	11	2	16
TOTAL	151	194	190	685	904	1,000

* Figures not available

C6240-1

Business and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION®

Vol. 43 No. 1 July 7, 1986 Page 1

INSIDE

Liability Costs Kill Mark IV Program...Page 2
Tay Receives CAA Certification..........Page 3
FBO Activity On The Decline.............Page 4
Business Aviation Briefs......................Page 5
Marketplace.......................................Page 8

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

BILL WOULD SUSPEND USER TAXES IF TRUST FUND TOPS $1 BILLION

A bill that would suspend collection of aviation user taxes whenever the Airport and Airways Trust Fund balance is greather than $1 billion, will be introduced by Rep. Dan Glickman (D-Kan.) shortly after Congress returns from its July 4 recess. Glickman, who sent a letter detailing the bill to several airlines and aviation trade groups in Washington, D.C. last week, accused the Reagan Administration of "allowing the (trust fund) balance to grow and using it to reduce the deficit. That, in my view, is a misuse of taxes."

The bill requires the Secretary of Transportation, no later than December 15 of each calendar year, to estimate the unobligated balance of the Airport and Airway Trust Fund as of December 31. If it is determined that the unobligated balance will exceed $1 billion, excise taxes on aviation fuels, gasoline, tires and tickets will be suspended for the following year. After making the determination, the Secretary will publish the estimate in the Federal Register and will make clear at that time whether or not the excise taxes will be applied during the following year.

Glickman said he was concerned that the "Administration has slowed the pace of spending the trust fund monies." He said the Administration has estimated an unspent balance of approximately $9 billion by the end of the current fiscal year. Balance at the end of April, the last month for which figures were available, was $7.8 billion. Glickman said a recently released report from the General Accounting Office projected a balance of approximately $12 billion by 1991, if the current pace of spending is maintained. "While there is no question of the need to balance the budget," he said, "the aviation trust fund is not the way to do it, especially when the air transportation system has so many critically needed improvements."

FAA PAPER QUESTIONS AIRWORTHINESS OF FOREIGN CERTIFICATED PARTS

Aircraft parts maintained in a foreign country are not prohibited from being used on a U.S.-registered aircraft as long as "an appropriate conformity and airworthiness inspection" is performed by a U.S. carrier or domestic repair station, according to a Federal Aviation Administration policy paper on foreign repair station privileges and reponsibilities. The paper states the inspections must be of "sufficient depth" to determine the condition of the product and to assure compliance with all airworthiness requirements, including life limits applicable to the product or part. Regional Airline Association and Air Transport Association met with FAA on the paper last week (BA, June 23/194).

Requirements to determine a product's conformity include complete records showing prior maintenance performed; compliance with all applicable airworthiness directives; review of any deviation from U.S. type design; inventory of new parts; current inspection status of all products not newly overhauled; and records of life-limited parts installed on the product. Also necessary to determine conformity is an inspection to be performed by a person with demonstrated experience. Inspection results will then be combined with requirements, and a complete record of the last overhaul in a final prouct report.

Alan Stephen, executive vice president of the Regional Airline Association, said while he had not fully reviewed the paper, saw it as having a strong impact. "I see the results of this as quite severe...it is going to be very costly."

NOW ONLINE WORLDWIDE

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS AMERICA PUBLISHING, INC. COPYRIGHT © 1986 NEWS AMERICA PUBLISHING, INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $230. SIX MONTHS

THREE OTHER COMPANIES JOIN PIPER IN LSI AIRCRAFT GROUP — Lear Siegler, Inc. has added three other firms to the company's Aircraft Group, which formerly had included only Piper Aircraft. The firms being added to the Aircraft Group, which will continue to be headed by Robert J. Wyma, group vice president, are: Romec, Elyria, Ohio; the Power Equipment Division, Maple Heights, Ohio; and, the Management Services Division, Oklahoma City, Okla. Romec manufactures pumps and fluid handling systems for aircraft, aerospace, ordnance and ground support applications. The Power Equipment Division designs and builds generating systems, high-speed motors, servo actuation devices and electromechanical equipment for the aerospace, missile, ordnance and ground sectors. Management Services Division offers a wide variety of support services for the aerospace industry, including field operation, maintenance and repair and modification of land, air and marine vehicles. It also provides transient aircraft services at military installations as well as flight simulator operation and maintenance. Wyma will continue to be based at Piper headquarters in Vero Beach, Fla.

FAA PLANS HEARING ON HOUSTON TERMINAL CONTROL AREA — FAA will hold a hearing July 15 in Houston on its plan to lower the top of the Houston terminal control area from 4,000 feet to 3,000 feet in preparation for the opening next February of a new runway at Houston Intercontinental Airport. The agency said it wants to impose the tighter controls on both the east and west edges of the area to "fully contain all aircraft executing approaches to and departures from" the new runway. FAA said the action is necessary to ensure that "all turbine-powered aircraft remain within the confines of the area while executing approach and departure procedures" and to provide necessary airspace to conduct simultaneous parallel instrument approaches.

REPORT SHOWS DECREASED FBO, AIR TAXI ACTIVITY IN MOST AREAS — Full-time employment at fixed-base operations and air taxi centers nationwide was down approximately six percent in the first quarter of 1986, but the overall level of flight instruction increased an average of 10 percent nationwide, according to the National Air Transportation Association. Information, which compares the first quarter of 1986 with 1985's first quarter, was collected in NATA's new quarterly monitoring system of member company operations. Despite the overall decrease in full time employment, operators in the Northeast region reported a 37 percent increase in this area. Fuel sales remained for the most part at the same level, with the exception of the Northeast region, which reported an average eight percent increase in avgas sales and a 23 percent increase in jet fuel sales. Eastern, Northwest and Western regions saw increases of as much as 20 percent in aircraft rental hours. While shop hours decreased by five percent nationwide, the Eastern region experienced increases of 26 percent in maintenance activity. Results are based on responses from 145 member companies (see chart on the back of this page).

ROGERSON ACQUIRES THREE GERMAN DIVISIONS OF KOLLSMAN — Rogerson Aircraft Corp. announced the acquisition of three German divisions of Kollsman Instrument Co., a subsidiary of Sun Chemical Co. The divisions, with combined annual sales of about $13 million, are: Kollsman System-Technik GmbH of Munich; Bavaria Keytronic Technology GmbH of Hamburg; and, Rutherford System Technik GmbH, of Hamburg. Rogerson President Michael J. Rogerson said acquisition of the three firms—which will operate as subsidiaries of Rogerson Aircraft GmbH—"is a major step in satisfying a long-held corporate strategy of broadening our capability in Europe."

Kollsman System-Technik manufactures altimeters and aircraft pressure devices for commercial and military aircraft; Bavaria Keytronic makes instrument panels and camera equipment used for aerial reconnaissance; Rutherford System-Technik manufactures automated vital sign monitors for the critical care patient industry. Rogerson Aircraft Corp. manufactures helicopters and aircraft electrical systems and components. It is headquartered in Irvine, Calif.

FAA PROPOSES SEPARATE POWER SOURCE FOR PUBLIC ADDRESS SYSTEMS — Federal Aviation Administration has published an NPRM which would require newly built transport aircraft to be equipped with independently-powered public address systems for use by crewmembers. NPRM, which applies to aircraft with more than 19 passenger seats that are manufactured one year after the date the final rule becomes effective, would add no more than $550 to the cost of the aircraft. Comments on the proposal should be mailed in duplicate to FAA, Office of the Chief Counsel, Attn: Rules Docket (AGC-204), Docket No. 24995, 800 Independence Ave., S.W., Washington, D.C. 20591 by Nov. 24.

COPYRIGHT © 1986 NEWS AMERICA PUBLISHING, INC.

GENERAL AVIATION OPERATIONAL PROFILE
Comparison of First Quarter Activity *
1986 vs. 1985

	Industry Wide Change	Change in Activity by FBO Size				Change in Activity by FAA Region							
		1-15 Employees	16-30 Employees	31-50 Employees	over 50 Employees	CE	EA	GL	NE	NW	SO	SW	WE
	%	%	%	%	%	%	%	%	%	%	%	%	%
FULL-TIME EMPLOYEES	-6	-3	3	-3	-6	-15	3	3	37	-7	-4	-4	-7
FUEL SALES (gallons)													
Avgas	-2	-1	3	-3	-4	-4	2	-20	8	-3	-1	4	-5
Jet Fuel	-1	-2	16	1	-7	-9	-4	-9	23	-11	2	6	-7
Airline Contract	-3	-19	-1	4	5	34	-8	-16	46	-3	38	24	0
FLIGHT ACTIVITY (hours)													
Flight Instruction	10	12	2	-1	21	8	21	-15	-4	43	-9	16	33
Aircraft Rental	-4	-1	-2	6	13	20	7	-5	-10	34	3	-10	2
Air Taxi	-1	-9	-1	1	6	10	-6	-5	32	10	-13	-8	-1
MAINTENANCE													
Shop Hours	-5	-4	12	0	-8	-22	26	7	13	-4	4	-17	2

* Based on responses to the NATA study.

Chart by NATA

C6240-1

Business Aviation

THE WEEKLY OF BUSINESS AVIATION

Vol. 43 No. 2 July 14, 1986 Page 9

INSIDE

New Aircraft I.D. Regs Proposed..........Page 10
Henson Acquiring Jetstream..................Page 11
June Shipments and Billings..................Page 13
Business Aviation Briefs........................Page 14
Marketplace..Page 16

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

RODINO PROMISES HEARING ON GLICKMAN'S PRODUCT LIABILITY BILL

Rep. Peter Rodino (D-N.J.), chairman of the House Judiciary Committee, has promised to hold hearings on Rep. Dan Glickman's General Aviation Tort Reform Act of 1986 (H.R.4142) after Congress returns this week from the July 4 recess. In a letter to Glickman, Rodino said he believes "the questions raised by the proposed legislation are important and warrant the careful study of the subcommittee. Following the July 4 recess, I will look to set a hearing on the bill, just as soon as the schedule permits."

The hearing is expected to be held before Judiciary's subcommittee on monopolies and commercial law, which Rodino also chairs. A member of Glickman's staff told BA Friday that discussions with Rodino's staff indicate the hearing likely will be held before the August Congressional recess, which begins Aug. 16. Glickman has been attempting for months to get Rodino to commit to holding a hearing on the bill, which is designed to ease the product liability burden on general aviation manufacturers (BA, June 30/204). As part of that effort he has been attempting to get other members of Congress to co-sponsor H.R.4142. As of Friday the bill had 121 co-sponsors, nearly 30 percent of the total House membership, but still far short of Glickman's goal of half the House membership (BA, June 23/193).

FAA ADMINISTRATOR FORECASTS CONTINUING AIR TRAFFIC DELAYS

Traffic delays that plagued the aviation industry in the 1970s and 1980s will be around in the 1990s, FAA Administrator Donald Engen has predicted. Engen, forecasting that the current situation will worsen if more airports are not constructed, said one of his top priorities is "trying to get communities to begin planning for development of airports." Otherwise, he told a press briefing in Washington, D.C., "they will be overflown. Commerce will go around them." Engen believes Chicago is doing a good job of planning for the future, but that "problem" cities, such as Denver, New York and Dallas/Fort Worth, "need to think some more" about future plans. Washington, D.C., area airports are being held "hostage" by Congress, he said, "and the people and communities will lose." FAA wants to spend the money to improve National and Dulles airports, but Gramm-Rudman budget cuts are making the money hard to find, he said. Other airports likely to suffer "severe constraints" in the next four or five years include Austin, Boston, St. Louis and Los Angeles.

Engen, although he foresees drastic constraints at some airports unless capacity improvements are forthcoming, remains opposed to flow control. "The less flow control we do, the better I like it." FAA has hired 98 percent of the 14,480 controllers it is directed by Congress to have on board by the end of September. Some 480 more will be hired in 1987, and "we will ask for more in 1988 if we need them. We cannot continue to compound traffic without more people."

Engen warned against too much public attention being paid to "private interest groups with axes to grind," specifically mentioning "some air traffic controllers." He said some controllers are unhappy, not about their jobs, but what is happening in Congress with legislative changes that affect their retirement pay. There also have been complaints about controller training, but he said FAA is solving many of the problems with the training program. Many controllers "are not against FAA. I sense their morale is very high." He said he did "not see a big move toward a labor organization" to represent controllers, "but that does not mean there will not be."

NOW ONLINE WORLDWIDE

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS AMERICA PUBLISHING, INC. **COPYRIGHT © 1986 NEWS AMERICA PUBLISHING, INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED.** **SUBSCRIPTIONS: ONE YEAR $280. SIX MONTHS $165.**

BUSINESS/PERSONAL AIRCRAFT INDUSTRY – JUNE UNIT SHIPMENTS

		June 86	Cal. Year
AEROSPATIALE GENERAL AVIATION			
• Single-Engine			
TB-9	Tampico	0	2
TB-10	Tobago	4	23
TB-20	Trinidad	0	14
TB-21	Trinidad TC	2	3
R110		0	1
R180		0	0
R235		0	0
TOTAL		6	43
BEECH AIRCRAFT CORP.			
• Single-Engine			
BE-77	Skipper	0	0
BE-C23	Sundowner	0	0
BE-C24R	Sierra	0	0
BE-F33A	Bonanza	2	9
BE-F33C	Bonanza	6	6
BE-A36	Bonanza	2	28
BE-V35B	Bonanza	0	0
BE-B36TC	Bonanza	0	6
• Multi-Engine			
BE-B55	Baron	0	0
BE-E55	Baron	0	0
BE-58	Baron	1	7
BE-58TC	Baron	0	0
BE-58P	Baron	0	2
BE-76	Duchess	0	1
BE-B60	Duke	0	0
BE-C99	Airliner	0	0
BE-C90-1	King Air	0	3
BE-F90-1	King Air	0	1
BE-B100	King Air	0	0
BE-200	Super King Air	2	14
BE-200C	Super King Air	0	0
BE-300	Super King Air	4	15
BE-200T	Super King Air	0	0
BE-1900C	Commuter	2	8
Beechjet 400	Diamond IA	1	9
TOTAL		20	109
Manufacturers net billing – $24,883,757.25			
BRITISH AEROSPACE			
• Multi-Engine			
BAe	Jetstream 31	2	20
HS-748		0	1
BAe 146-100		1	3
BAe 146-200		1	4
HS-125-800	Model A	2	6
HS-125-800	Model B	0	0
TOTAL		6	34
PILATUS BRITTEN-NORMAN			
• Multi-Engine			
BN-2B	Islander	1	1
BN-2T	Islander	0	3
Mark III	Trislander	0	0
TOTAL		1	4
CANADAIR			
• Multi-Engine			
CL-600	Challenger	0	0
CL-601	Challenger	0	4
TOTAL		0	4
CESSNA AIRCRAFT CO.			
• Single-Engine			
CE-152		0	0
CE-A152	Aerobat	0	0
CE-172	Skyhawk	18	85
CE-172	Cutlass	0	0
CE-172RG	Cutlass	0	1
CE-182	Skylane	6	27
CE-182	Turbo Skylane	0	1
CE-182RG	Skylane RG	1	5
CE-182RG	Turbo Skylane RG	0	1
CE-185	Skywagon	0	0
CE-U206	Stationair 6	8	32
CE-TU206	Turbo Stationair 6	4	18
CE-207	Stationair 8	0	0
CE-TU207	Turbo Stationair 8	0	0
CE-208	Caravan I	4	15
CE-208	Caravan II	1	1
CE-210	Centurion	3	9
CE-T210	Turbo Centurion	8	31
CE-P210	Pressurized Centurion	4	7
CE-188	AgHusky	0	0
CE-188	AgTruck	0	0
• Multi-Engine			
CE-303	Crusader	1	2
CE-335		0	0
CE-340		2	7
CE-402		0	1
CE-404	Titan	0	0
CE-414	Chancellor	0	3
CE-421	Golden Eagle	0	1
CE-425	Conquest I	* –1	2
CE-441	Conquest II	* –2	1
CE-500	Citation I	0	0
CE-550S/II	Citation II	4	11
CE-650	Citation III	0	4
REIMS AVIATION			
• Single-Engine			
CE-F152		0	0
CE-F152	Aerobat	0	0
CE-F172	Skyhawk	2	2
CE-FR172	Hawk XP	0	0
CE-F182	Skylane	0	0
CE-F182RG	Skylane RG	0	0
TOTAL		63	267
Manufacturers net billing – $19,401,863			
AVIONS-MARCEL DASSAULT			
• Multi-Engine			
AD-My.10	Falcon	0	0
AD-My.20	Falcon	0	1
AD-My.200	Falcon	0	1
AD-My.50	Falcon	1	7
AD-My.900	Falcon	1	1
TOTAL		2	10
DEHAVILLAND AIRCRAFT OF CANADA			
• Multi-Engine			
DHC-5		0	2
DHC-6	Twin Otter	1	1
DHC-7		0	1
DHC-8		3	16
TOTAL		4	20
EMBRAER			
• Single-Engine			
EMB-201	Ipanema	1	7
EMB-710	Carioca	0	0
EMB-711	Corisco	0	3
EMB-712	Tupi	1	4
EMB-720	Minuano	3	13
EMB-721	Sertanejo	0	0
• Multi-Engine			
EMB-110	Bandeirante	0	0
EMB-120	Brasilia	1	3
EMB-121	Xingu	0	3
EMB-810D	Seneca II	1	14
EMB-820		0	0
TOTAL		7	47
FAIRCHILD AIRCRAFT CORP.			
• Multi-Engine			
Merlin III-C		0	0
Fairchild 30		0	0
Merlin IV-C		0	0
Metro III		2	16
TOTAL		2	16
GATES LEARJET			
• Multi-Engine			
LR-25D		0	0
LR-25G		0	0
LR-35A		0	4
LR-36A		0	0
LR-55		1	2
TOTAL		1	6

* Indicates buy back aircraft

COPYRIGHT © 1986 NEWS AMERICA PUBLISHING, INC.

		June 86	Cal. Year
GULFSTREAM AEROSPACE			
● Multi-Engine			
GR-1159A	Gulfstream III	2	7
AE-840	Turbo Commander	0	0
AE-900	Commander 900	0	0
AE-980		0	0
AE-1000		0	1
TOTAL		2	8
ISRAEL AIRCRAFT INDUSTRIES			
● Multi-Engine			
1124	Westwind 1	0	0
1124A	Westwind 2	1	4
	Astra	1	1
TOTAL		2	5
LAKE AIRCRAFT			
● Single-Engine			
LA-4-200EP		1	4
LA-250	Renegade	2	8
TOTAL		3	12
MAULE AIR INC.			
● Single-Engine			
M-5-180C		1	4
M-5-200		0	0
M-5-235C	Lunar Rocket	0	3
M-6-235		0	1
MX-7-180	Super Rocket	1	3
M-7-235	Super Rocket	2	6
MX-7-235		2	15
TOTAL		6	32
Manufacturers net billing – $277,281			
MOONEY AIRCRAFT CORP.			
● Single-Engine			
M-20J	201 Lean Machine	2	16
M-20J	205	3	3
M-20K	252	4	41
TOTAL		9	60
PARTENAVIA S.P.A.			
● Multi-Engine			
P68C		1	4
P68C-TC		0	2
P68	Observer	0	3
P68	Observer TC	1	2
Spartacus		0	1
TOTAL		2	12

		June 86	Cal. Year
PIPER AIRCRAFT CORP.			
● Single-Engine			
PA-38-112	Tomahawk	0	0
PA-28-161	Warrior	0	33
PA-28-181	Archer II	2	25
PA-28-236	Dakota	0	4
PA-28RT-201T	Turbo Arrow IV	0	1
PA-32-301	Saratoga	0	5
PA-32R-301	Saratoga SP	0	1
PA-32R-301T	Turbo Saratoga SP	0	3
PA-46-310P	Malibu	9	39
● Multi-Engine			
PA-31-350	Chieftain	0	0
PA-31P-350	Mojave	0	0
PA-31-500	Cheyenne I	0	0
PA-31-500	Cheyenne IA	0	2
PA-42-720	Cheyenne III	0	1
PA-42-720	Cheyenne IIIA	0	1
PA-42-1000	Cheyenne 400LS	0	2
PA-34-220T	Seneca III	3	19
PA-44-180	Seminole	0	0
PA-44-180T	Turbo Seminole	0	0
PA-T1020		0	0
PA-T1040		0	0
TOTAL		14	136
Manufacturers net billing – $2,981,552			
SHORT BROTHERS LTD.			
● Multi-Engine			
SBJ-CS-7	Skyvan	0	1
SD-3-30		0	1
SD-3-60		0	9
TOTAL		0	11
	SINGLE-ENGINE	109	569
	MULTI-ENGINE	41	267
	GRAND TOTAL	150	836

UNIT SHIPMENTS COMPARATIVE TREND: 19 MANUFACTURERS

	June			Calendar Year to Date		
	1986	1985	1984	1986	1985	1984
Aerospatiale	6	10	*	43	*	*
Beech	20	38	44	109	146	216
British Aerospace	6	7	8	34	35	24
Britten-Norman	1	3	1	4	6	6
Canadair	0	1	*	4	2	9
Cessna	63	61	47	267	406	373
Dassault	2	4	3	10	13	13
De Havilland	4	2	4	20	18	14
Embraer	7	11	9	47	55	48
Fairchild	2	1	1	16	9	10
Gates	1	4	3	6	13	11
Gulfstream	2	9	6	8	26	25
Israel	2	*	1	5	0	4
Lake	3	4	4	12	11	16
Maule Air	6	8	7	32	41	26
Mooney	9	3	9	60	42	58
Partenavia	2	*	*	12	*	*
Piper	14	56	61	136	287	336
Short	0	1	4	11	6	20
TOTAL	150	223	215	836	1,148	1,219

C6240-1

Business Aviation

THE WEEKLY OF BUSINESS AVIATION

Vol. 43 No. 3 July 21, 1986 Page 17

INSIDE

Lautenberg Urges FAA Autonomy..........Page 18
GA Accidents Decline Slightly...............Page 19
Fuel Management Problems Cited...........Page 20
Business Aviation Briefs..........................Page 21
Marketplace..Page 24

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

ENGEN SAYS FAA COMMISSION WOULD 'COVER GROUND ALREADY EXPLORED'

An independent commission to study aviation safety as suggested in a bill introduced by Senate Minority Leader Robert Byrd (D-W.Va.) is "unnecessary, and would take additional time to cover ground already explored," said FAA Administrator Donald Engen. Speaking before the Senate aviation subcommittee, Engen said "I do not resist the idea of an independent commission to examine the FAA because of concern of what it may find. To the contrary, we have benefited tremendously from what we have learned of the agency as we have moved through difficult times, but it is time for us to get on with the needed improvements we have already discerned."

With 15 co-sponsors, the bill, S.2417, which was introduced in May (BA, May 12/147), would create an independent commission made up of seven persons "having no ties to the commercial aviation industry or to the FAA...but possessing extensive experience and expertise at the highest level of corporate management" to study aviation safety and FAA's structure. The bill directs the commission to determine whether FAA should be reorganized as an independent federal agency charged solely with safety regulatory functions, ending its dual role of promoting and regulating the industry. "It is time for an intensive, objective re-examination of the FAA, the nation's aviation safety policy and the impact of deregulation on aviation safety," Byrd said. He said the proposed commission should consider whether FAA has been provided adequate resources and has used them effectively and efficiently, and "whether the conflict between the FAA's responsibilities impedes safety."

NTSB: Commission Should Have Aviation Experience

Patricia Goldman, acting chairman of the National Transportation Safety Board, testified the committee may "wish to review in some detail" the provision which calls for commission members with no experience in aviation matters. "In view of the apparent intent of the bill, an assessment of FAA's capabilities to carry out its mandated functions efficiently and effectively, the commission lacking aviation expertise, could well be led astray," she said. "The commission would in effect be sorting out technical information of which they may have little or no knowledge." Goldman also questioned a tenet of the bill which would make mandatory all safety recommendations issued by NTSB. "Such a proposal would have a detrimental effect on the Board's effectiveness by limiting it's objectivity in accident investigation. Furthermore, if we can't convince people to adopt recommendation on its merit, perhaps the recommendation isn't appropriate. We must allow affected agencies to have alternative solutions."

The bill received overall support from the Regional Airline Association, Air Transport Association and the Air Line Pilots Association. Alan Stephen, executive vice president of RAA called S.2417 "a very interesting piece of legislation," and said it was "a most timely mechanism" for studying FAA's effectiveness. ATA President William Bolger said while the commission "could make a significant contribution to focusing attention on aviation needs, it is essential that (its) work in no way is permitted to impede current FAA improvement actions." ALPA President Henry Duffy said his association "strongly supports (the bill)" and said it was "most appropriate, considering the dramatic changes that have occurred." He said however "if such a commission is to perform the functions outlined in the bill, the personnel should possess extensive experience in aviation matters."

(Continued on the following page)

NOW ONLINE WORLDWIDE

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS AMERICA PUBLISHING, INC. COPYRIGHT © 1986 NEWS AMERICA PUBLISHING, INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $280. SIX MONTHS $165.

COMPARISON OF ALCOHOL INVOLVEMENT IN 1983 AVIATION ACCIDENTS WITH ALCOHOL INVOLVEMENT IN AVIATION ACCIDENTS THAT OCCURRED IN 1975-81

	1983	1981	1980	1979	1978	1977	1976	1975
All accidents	3,258	3,715	3,820	4,061	4,498	4,306	4,217	4,232
Fatal accidents	586	707	675	687	794	706	704	674
Valid toxicology tests*	430	524	481	500	553	506	494	478
Positive alcohol tests	39	55	60	39	54	48	52	30
Percent positive	9.1	10.5	12.5	7.8	9.8	9.5	10.5	10.5
Other known alcohol-involved accidents**	5	9	5	9	18	24	19	19
Total alcohol-involved accidents	44	64	65	47	72	72	71	69

---

*"Valid toxicology tests" are those in which samples were adequate for testing for alcohol, and appropriate testing was performed. Toxicological tests are not always possible. Most of the accidents in which toxicological tests are performed are fatal, but some are nonfatal.

**The category "Other known alcohol-involved accidents" comprises fatal and nonfatal accidents in which alcohol involvement was determined from witness statements.

NTSB Chart

ALCOHOL INVOLVED ACCIDENTS accounted for less than two percent of all aviation accidents during the years 1975-1983, according to National Transportation Safety Board figures. During that period, however, alcohol was involved in a much higher percentage of fatal accidents, ranging from 6.8 percent in 1979 to over 10 percent of all fatal accidents in some years (see chart on the back of Page 22).

* * *

REHOBOTH AIRCRAFTERS AIRPORT in Rehoboth Beach, Del., will close permanently at the end of September, according to George Garrison, president of Garrison Aviation Inc., the facility's fixed-base operator. Garrison, who also is a principal in the property encompassing the 50-year old airport, said the decision to close follows unsuccessful attempts to secure additional financing for development of the airport, which is now expected to be converted into a housing development. Rehoboth Beach is a major summer resort area that attracts thousands of vacationers from the Washington, D.C., Baltimore and Philadelphia areas.

* * *

PENNSYLVANIA AIRLINES carried 45,650 passengers during the month of June, surpassing the record of 45,277 established during the same month last year. Revenue passenger miles were up 7.3 percent, reaching 5.5 million.

* * *

NATIONAL ASSOCIATION OF STATE AVIATION OFFICIALS will hold its 55th annual meeting in Newport, R.I. on Sept. 7-11. Contact NASAO at (202) 783-0588 for more information.

* * *

ATLANTIC AVIATION has named Jet Aviation a Westwind Aircraft Service Center. Located at Palm Beach International Airport in West Palm Beach, Fla., Jet Aviation is the twelfth Westwind service center in the U.S.

* * *

PETITIONS FOR EXEMPTION from various sections of the Federal Register, along with FAA's disposition of other exemption requests, are reprinted on the back of this page.

* * *

LINJEFLYG A.B. of Sweden has placed a reorder for a Fokker F28. Nineteenth aircraft for the carrier will be delivered in mid-1987.

* * *

PHILLIPS 66 COMPANY has discontinued production of X/C II aviation oil and is reintroducing the original X/C 20-50 aviation oil. Original oil is compatible with discontinued type and switch should not create need for additional expense, according to the manufacturer.

* * *

PAGE AVJET CORPORATION has been chosen by Air Cargo Transport Systems, Inc., Quebec, to install the Quiet Nacelle Corporation's noise reduction nacelle on the company's DC8-55F aircraft. Installation is performed at Page Avjet's Orlando International Airport facility.

* * *

FOKKER AIRCRAFT has received an order for two F27 Mark 400 aircraft from the Royal Thai Navy. Delivery is scheduled for late 1986 and early 1987.

* * *

WESTERN GEAR CORPORATION has closed its Washington D.C. government relations office and has dissolved the position of vice president, government relations, held by J. David Shlemmer. Sales headquarters, previously located in South Milwaukee, Wis. have been moved to Washington and will continue to be directed by Frank Taylor.

COPYRIGHT © 1986 NEWS AMERICA PUBLISHING, INC.

C 6240-1

Business and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION®

Vol. 43 No. 5 August 4, 1986 Page 33

INSIDE

MSP Bans Training Flights....................Page 34
New ARSA Criteria Adopted...............Page 35
Piper Gets $14 Million Kit Order..........Page 36
Business Aviation Briefs......................Page 37
Marketplace..Page 40

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

GA INTERESTS OUTRAGED BY PROPOSED PAN AM SLOT GRAB AT LA GUARDIA

General aviation interests expressed outrage last week over a Pan American World Airways proposal to take over a number of operating slots at La Guardia Airport that are currently reserved for general aviation operations. The Pan Am proposal, contained in a filing at the Department of Transportation in support of the carrier's application to provide hourly "shuttle service" in the Boston-New York-Washington, D.C. corridor, calls for transferring one of GA's six hourly slots at La Guardia to scheduled airline service. Pan Am said the Port Authority of New York and New Jersey, which operates La Guardia, has already decided to accommodate the shuttle service on the west side of the airport, which is currently used for general aviation operations. This will "result in a decrease in general aviation operations at La Guardia," Pan Am said.

Pan Am decided to get into the shuttle market at La Guardia when federal authorities objected to the proposed merger of Texas Air and Eastern on grounds that such a move would diminish competition in the Boston-New York-Washington corridor because the principal operators of that service—Texas Air's New York Air and Eastern's Shuttle—would both be owned by the same interests. Pan Am said Texas Air has agreed to transfer some of its slots to Pan Am, giving it 12 daily round trips in each shuttle market--the minimum level of competitive service specified by government officials.

Pan Am Says Being 'Effective Competitor' Not Enough

As a result, Pan Am "has slots at the appropriate times to enable the shuttle to operate during most hours throughout the day and in the majority of the peak hours." Pan Am stated, however, that it "desires to be more than simply an 'effective competitor'" and therefore needs the GA slots to enable it to operate the 14-15 daily flights in each airport pair that Eastern and New York Air now fly. Pan Am said it had been unsuccessful in obtaining additional slots from other scheduled operators. The Pan Am filing requests "expedited action," so that new slot allocations can be in place by Oct. 1.

A spokesman for Pan Am said the Port Authority was trying to obtain "maximum use of the whole terminal...they feel they can get more out of us than out of the general aviation operators." He said GA operations could possibly be moved elsewhere at La Guardia "but would probably move to other airports."

John Sheehan, senior vice president of government and technical affairs for the Aircraft and Pilots Association said "we are adamantly opposed to any raid on general aviation landing and takeoff slots. Such an unconscionable slot grab would result in an unacceptable constraint on the major users of the air traffic system and we will do everything in our power to prevent it."

Ed Stimpson, president of the General Aviation Manufacturers Association said he was "shocked and dismayed." He said Pan Am is taking the position that "buy sell didn't work, so let's go ahead and take away more from the general aviation operators. People come to New York City in business airplanes. They can't keep whittling us down to nothing." Bob Cooke, vice president of operations at the National Business Aircraft Association, said Pan Am is having "pipe dreams about slots...the filing is a misrepresentation of the truth, people are still going to need to fly into La Guardia. We are investigating the rules of the docket to see what can be done. The idea that they would file this petition with FAA is absolutely repugnant."

NOW ONLINE WORLDWIDE

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS AMERICA PUBLISHING, INC. COPYRIGHT © 1986 NEWS AMERICA PUBLISHING, INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $250. SIX MONTHS $165.

38a

STATUS OF AIRPORT & AIRWAY TRUST FUND
May 31, 1986

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	$ 7,860,331,195.87	$ 7,425,506,743.43
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund):		
Any liquid fuel except gas	5,598,000.00	51,504,000.00
Tires used on aircraft	0.00	0.00
Tubes used on aircraft	0.00	0.00
Gasoline		
1. Commercial 9 cents tax	218,000.00	1,800,000.00
2. Non-commercial 9 cents tax	1,838,000.00	23,098,000.00
3. Non-commercial 3 cents tax	564,000.00	7,452,000.00
4. Transp by air,seats,berths,etc.	215,453,000.00	1,565,531,000.00
Use of international trav fac	8,194,000.00	56,127,000.00
Transp of property and cargo	13,295,000.00	87,668,000.00
Total Tax Receipts	245,160,000.00	1,793,180,000.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	-543.00	-1,014.00
2. Any liquid fuel except gas	-653,860.00	-6,846,996.00
3. Gasoline -Retailer's tax	0.00	-437,790.00
4. Gasoline -Manufac. tax	-1,217.00	-44,987.00
Total Reimburse For Tax Refunds	-655,620.00	-7,330,787.00
Net Tax Receipts	244,504,380.00	1,785,849,213.00
C. Interest on Investments	449,416.56	408,869,227.89
Net Receipts	244,953,796.56	2,194,718,440.89
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	-10.00	420,346,655.34
2. Grants-in-aid for airports	68,256,463.81	572,235,544.82
3. Facilities & equipment	63,814,469.75	481,150,829.01
4. Research engineering & development	24,607,160.34	183,886,291.62
B. NOAA weather services	0.00	13,998,900.00
C. Interest on Refund of Taxes	880.00	935.00
Total Expenditures	156,678,963.90	1,671,619,155.79
IV. BALANCE - END OF PERIOD	7,948,606,028.53	7,948,606,028.53

ASSETS :		
Undisbursed Balances:		$
Airport & Airway Trust Fund	100.01	
Operations	-4,655.34	
Grants-in-aid for Airports	2,785,581.94	
Facilities & Equipment	7,541,455.35	
Research Engineering & Development	4,446,446.57	
NOAA weather services	0.00	
		$ 14,768,928.53
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS:		
9-3/4% maturing JUNE 30, 1986	$ 137,516,000.00	
9-7/8% maturing JUNE 30, 1986	44,567,000.00	
10-1/4% maturing JUNE 30, 1986	159,166,000.00	
10-3/8% maturing JUNE 30, 1986	182,369,000.00	
10-3/4% maturing JUNE 30, 1986	7,410,218,000.00	
		7,933,836,000.00
Total Assets		7,948,604,928.53
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		$ 7,948,604,928.53
Total Liabilities and Equity		7,948,604,928.53

C6240-1

Business and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION®

Vol. 43 No. 7 August 18, 1986 Page 49

INSIDE

Flight Departments Cutting Back..........Page 50
Lear Crashes in Takeoff Attempt.........Page 51
BAe Receives $22 Million Order..........Page 51
July Shipments and Billings....................Page 53
Business Aviation Briefs.......................Page 54

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

PRODUCT LIABILITY BILL STILL ALIVE, BUT FACING UPHILL BATTLE

Rep. Dan Glickman (D-Kan.) finally got a hearing last week on his General Aviation Tort Reform Act of 1986, but it appears supporters of the legislation face an uphill battle to get the measure enacted during the current session of Congress (BA, Aug. 11/42). Following a hearing on Glickman's H.R.4142 last Thursday before the monopolies and public law subcommittee of the House Judiciary Committee, most observers agreed that it is unlikely the committee will schedule a markup session--the usual next step following a hearing--on the bill this year.

Rep. Peter Rodino (D-N.J.), who chairs both the full committee and the subcommittee, said following testimony by general aviation aircraft manufacturers and operators that "The responsibility remains on those who would change the present system. They're gonna bear the burden of proof. I think until and unless they do so, the committee is going to be constrained to move very, very cautiously..." Asked to assess the prospects of the committee reporting the bill out to the full House of Representatives, one committee staffer put them at "one in a million," because of Rodino's lack of enthusiasm for the measure. Glickman told BA that "it's not likely, but it's not impossible," that the bill will be marked up and reported out. "But there are other ways to skin a cat," Glickman added, indicating that he may attempt other avenues to get the bill to the House, rather than waiting for Rodino to act. Glickman has 174 co-sponsors on the bill and his staff is seeking additional backers in an effort to force consideration of the measure. Recent approval by the Senate Commerce Committee of similar legislation offered by Sen. Nancy Kassebaum (BA, Aug. 11/41), is expected to add momentum to those efforts.

Supporters of H.R.4142 testified that despite a steady decline in the number of fatal general aviation accidents over the past four decades, the amount of damage claims and out-of-pocket defense expenses incurred by general aviaton manufacturers has been soaring in recent years. General Aviation Manufacturers Association President Edward Stimpson said the industry's paid claims and defense costs totaled $24 million in 1977, but had jumped to $76.8 million in 1983 and to $209.7 million in 1985 (see photo and chart on the back of Pages 51 and 52). Stimpson said "projections for 1986 suggest a continuation of this exponential growth. How can an industry with $900 million in new aircraft sales revenue estimated for 1986 possibly survive?"

The Association of Trial Lawyers of America has been lobbying against H.R.4142 and ATLA President Robert Habush testified in opposition to the bill at Thursday's hearing. Habush attempted to convince the committee that general aviation's economic problems were due to a number of factors besides high product liability costs. He also indicated that the high product liability costs are an "insurance" problem rather than one that requires changes in the tort law system. Also testifying against the bill were representatives of the Consumer Federation of America and Congress Watch.

BOMBARDIER INC. REPORTED TO BE SUCCESSFUL BIDDER FOR CANADAIR

Bombardier Inc. of Montreal, a manufacturer of subway cars, buses and snowmobiles was reported last week to be the successful bidder to acquire Canadian aircraft manufacturer Canadair. Paul Marshall, president of the Canadian Development Investment Corp.--the government agency that owns

(Continued on the following page)

NOW ONLINE WORLDWIDE

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS AMERICA PUBLISHING, INC. COPYRIGHT © 1986 NEWS AMERICA PUBLISHING, INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $250. SIX MONTHS $165.

BUSINESS/PERSONAL AIRCRAFT INDUSTRY – JULY UNIT SHIPMENTS

		July 86	Cal. Year
AEROSPATIALE GENERAL AVIATION			
• Single-Engine			
TB-9	Tampico	0	2
TB-10	Tobago	4	27
TB-20	Trinidad	6	20
TB-21	Trinidad TC	0	3
R110		0	1
R180		0	0
R235		0	0
TOTAL		10	53
BEECH AIRCRAFT CORP.			
• Single-Engine			
BE-77	Skipper	0	0
BE-C23	Sundowner	0	0
BE-C24R	Sierra	1	1
BE-F33A	Bonanza	3	12
BE-F33C	Bonanza	3	9
BE-A36	Bonanza	4	32
BE-V35B	Bonanza	0	0
BE-B36TC	Bonanza	1	7
• Multi-Engine			
BE-B55	Baron	0	0
BE-E55	Baron	0	0
BE-58	Baron	4	11
BE-58TC	Baron	0	0
BE-58P	Baron	1	3
BE-76	Duchess	0	1
BE-860	Duke	0	0
BE-C99	Airliner	1	1
BE-C90-1	King Air	0	3
BE-F90-1	King Air	2	3
BE-B100	King Air	0	0
BE-200	Super King Air	2	16
BE-200C	Super King Air	0	0
BE-300	Super King Air	3	18
BE-200T	Super King Air	0	0
BE-1900C	Commuter	1	9
Beechjet 400	Diamond IA	0	9
TOTAL		26	135
Manufacturers net billing – $21,749,801.30			
BRITISH AEROSPACE			
• Multi-Engine			
BAe	Jetstream 31	4	24
HS-748		0	1
BAe 146-100		1	4
BAe 146-200		0	4
HS-125-800	Model A	3	9
HS-125-800	Model B	0	0
TOTAL		8	42
PILATUS BRITTEN-NORMAN			
• Multi-Engine			
BN-2B	Islander	0	1
BN-2T	Islander	0	3
Mark III	Trislander	0	0
TOTAL		0	4
CANADAIR			
• Multi-Engine			
CL-600	Challenger	0	0
CL-601	Challenger	1	5
TOTAL		1	5
CESSNA AIRCRAFT CO.			
• Single-Engine			
CE-152		0	0
CE-A152	Aerobat	0	0
CE-172	Skyhawk	18	103
CE-172	Cutlass	0	0
CE-172RG	Cutlass	0	1
CE-182	Skylane	10	37
CE-182	Turbo Skylane	0	1
CE-182RG	Skylane RG	1	6
CE-182RG	Turbo Skylane RG	0	1
CE-185	Skywagon	0	0
CE-U206	Stationair 6	8	40
CE-TU206	Turbo Stationair 6	3	21
CE-207	Stationair 8	0	0
CE-TU207	Turbo Stationair 8	0	0
CE-208	Caravan I	4	19
CE-208	Caravan II	0	1
CE-210	Centurion	2	11
CE-T210	Turbo Centurion	2	33
CE-P210	Pressurized Centurion	0	7
CE-188	AgHusky	0	0
CE-188	AgTruck	0	0
• Multi-Engine			
CE-303	Crusader	0	2
CE-335		0	0
CE-340		1	8
CE-402		0	1
CE-404	Titan	0	0
CE-414	Chancellor	0	3
CE-421	Golden Eagle	1	2
CE-425	Conquest I	1	3
CE-441	Conquest II	0	1
CE-500	Citation I	0	0
CE-550S/II	Citation II	2	13
CE-650	Citation III	2	6
REIMS AVIATION			
• Single-Engine			
CE-F152		0	0
CE-F152	[illegible]erobat	2	2
CE-F172	[illegible]yhawk	1	3
CE-FR172	[illegible]k XP	0	0
CE-F182	[illegible]ne	0	0
CE-F182RG	[illegible]ylane RG	0	0
TOTAL		58	325
Manufacturers net billing – $26,175,001			
AVIONS-MARCEL DASSAULT			
• Multi-Engine			
AD-My.10	Falcon	*	0
AD-My.20	Falcon	*	1
AD-My.200	Falcon	*	1
AD-My.50	Falcon	*	1
AD-My.900	Falcon	*	7
TOTAL		*	10
DEHAVILLAND AIRCRAFT OF CANADA			
• Multi-Engine			
DHC-5		0	2
DHC-6	Twin Otter	1	2
DHC-7		0	1
DHC-8		3	19
TOTAL		4	24
EMBRAER			
• Single-Engine			
EMB-201	Ipanema	0	7
EMB-710	Carioca	0	0
EMB-711	Corisco	1	4
EMB-712	Tupi	1	5
EMB-720	Minuano	3	16
EMB-721	Sertanejo	0	0
• Multi-Engine			
EMB-110	Bandeirante	0	0
EMB-120	Brasilia	1	4
EMB-121	Xingu	0	3
EMB-810D	Seneca II	4	18
EMB-820		0	0
TOTAL		10	57
FAIRCHILD AIRCRAFT CORP.			
• Multi-Engine			
Merlin III-C		0	0
Fairchild 30		0	0
Merlin IV-C		0	0

COPYRIGHT © 1986 NEWS AMERICA PUBLISHING, INC.

53a

		July 86	Cal. Year
Metro III		1	17
TOTAL		1	17
GATES LEARJET			
• Multi-Engine			
LR-25D		0	0
LR-25G		0	0
LR-35A		2	6
LR-36A		0	0
LR-55		0	2
TOTAL		2	8
GULFSTREAM AEROSPACE			
• Multi-Engine			
GR-1159A	Gulfstream III	0	7
AE-840	Turbo Commander	0	0
AE-900	Commander 900	0	0
AE-980		0	0
AE-1000		1	2
TOTAL		1	9
ISRAEL AIRCRAFT INDUSTRIES			
• Multi-Engine			
1124	Westwind 1	0	0
1124A	Westwind 2	0	4
	Astra	2	3
TOTAL		2	7
LAKE AIRCRAFT			
• Single-Engine			
LA-4-200EP		0	4
LA-250	Renegade	1	9
TOTAL		1	13
MAULE AIR INC.			
• Single-Engine			
M-5-180C		0	4
M-5-200		0	0
M-5-235C	Lunar Rocket	0	3
M-6-235		0	1
MX-7-180	Super Rocket	0	3
M-7-235	Super Rocket	1	7
MX-7-235		2	17
TOTAL		3	35
Manufacturers net billing — $142,305			
MOONEY AIRCRAFT CORP.			
• Single-Engine			
M-20J	201 Lean Machine	1	17
M-20J	205	4	7
M-20K	252	7	48
TOTAL		12	72

		July 86	Cal. Year
PARTENAVIA S.P.A.			
• Multi-Engine			
P68C		1	5
P68C-TC		1	3
P68	Observer	0	3
P68	Observer TC	0	2
Spartacus		0	1
TOTAL		2	14
PIPER AIRCRAFT CORP.			
• Single-Engine			
PA-38-112	Tomahawk	*	0
PA-28-161	Warrior	*	33
PA-28-181	Archer II	*	25
PA-28-236	Dakota	*	4
PA-28RT-201T	Turbo Arrow IV	*	1
PA-32-301	Saratoga	*	5
PA-32R-301	Saratoga SP	*	1
PA-32R-301T	Turbo Saratoga SP	*	3
PA-46-310P	Malibu	*	39
• Multi-Engine			
PA-31-350	Chieftain	*	0
PA-31P-350	Mojave	*	0
PA-31-500	Cheyenne I	*	0
PA-31-500	Cheyenne IA	*	2
PA-42-720	Cheyenne III	*	1
PA-42-720	Cheyenne IIIA	*	1
PA-42-1000	Cheyenne 400LS	*	2
PA-34-220T	Seneca III	*	19
PA-44-180	Seminole	*	0
PA-44-180T	Turbo Seminole	*	0
PA-T1020		*	0
PA-T1040		*	0
TOTAL		*	136
SHORT BROTHERS LTD.			
• Multi-Engine			
SBJ-CS-7	Skyvan	0	1
SD-3-30		0	1
SD-3-60		2	11
TOTAL		2	13
	SINGLE-ENGINE	94	663
	MULTI-ENGINE	49	316
	GRAND TOTAL	143	979

UNIT SHIPMENTS COMPARATIVE TREND: 19 MANUFACTURERS

	July			Calendar Year to Date		
	1986	1985	1984	1986	1985	1984
Aerospatiale	10	*	*	53	30	*
Beech	26	47	31	135	193	247
British Aerospace	8	4	5	42	43	29
Britten-Norman	0	*	2	4	3	14
Canadair	1	1	2	5	3	14
Cessna	58	86	48	325	492	421
Dassault	*	*	*	10	13	18
De Havilland	4	3	1	24	21	15
Embraer	10	15	13	57	70	61
Fairchild	1	1	2	17	10	12
Gates	2	0	1	8	13	12
Gulfstream	1	10	1	9	36	26
Israel	2	*	2	7	*	6
Lake	1	5	1	13	16	17
Maule Air	3	8	3	35	49	29
Mooney	12	3	13	72	45	71
Partenavia	2	*	*	14	*	*
Piper	*	37	39	136	324	375
Short	2	3	3	13	11	23
	143	223	215	979	1,148	1,219

C6240-1

Business and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION®

Vol. 43 No. 10 September 8, 19[illegible] Page 73

INSIDE

De Havilland, Shorts Join Forces............Page 74
ASA Orders 22 More Brasilias................Page 75
Trust Fund Tops $8 Billion.....................Page 76
Business Aviation Briefs.......................Page 77
Marketplace..Page 80

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

PRESSURE BUILDING FOR NEW GA RESTRICTIONS, EQUIPMENT

Increased political and public pressure to establish new equipment requirements and operating restrictions on general aviation aircraft in high density traffic areas was building last week in the wake of the Aug. 31 midair collision between a Piper Cherokee and an Aeromexico Airlines DC-9. The accident, which resulted in the deaths of all 67 persons aboard the two aircraft and more than 20 persons on the ground, occurred as the airliner was approaching Los Angeles International Airport.

Investigators said both aircraft were within the Los Angeles terminal control area. Preliminary indications are that the Cherokee pilot, who had taken off from Torrance, Calif. 15 minutes before the collision occurred at an altitude of about 6,500 feet, did not have permission from controllers to operate in the TCA. The Cherokee pilot had filed a flight plan before taking off, but apparently had not contacted controllers to activate that flight plan. Investigators said the transponder in the Cherokee was operating and that the transponder target was visible on radar, although the plane's altitude was not being displayed. The controller working the Aeromexico flight has indicated he did not see the Piper on radar.

Following the accident, FAA Administrator Donald Engen was quoted as saying, "I think you will see us gradually encroaching on airspace in which small aircraft operate. I'm dedicated to continuing that." While an agency spokesman said Engen qualified that statement, FAA officials are examining a number of steps to reduce the risk of additional midair collisions. Among alternatives under consideration are the wider use of transponders, the implementation of additional terminal control areas and the expansion of existing TCAs.

In addition, FAA will be facing additional pressure to develop and implement a collision avoidance system, a program that has been underway for years, but which has not progressed past the test stage. Rep. Robert Dornan (R-Calif.), in whose Congressional district the DC-9 and Cherokee crashed last week, was expected to call for Congressional action on H.R.3905, a bill he introduced last December. Dornan's bill, which has not been reported out of committee, would require the Transportation Department "to promulgate standards for an airborne collision avoidance system for all United States aircraft, civil and military, to improve aviation safety." Dornan's bill would require DOT to issue such standards within one year after enactment of the legislation.

Last week's accident also is expected to strengthen the case for adoption of a rulemaking petition submitted by the Air Transport Association. Published by FAA as an advanced notice of proposed rulemaking, the ATA petition calls for use of automatic altitude reporting equipment by all aircraft operating in terminal airspace where radar service is provided and in all controlled airspace above 4,000 feet (BA, Aug. 25/59). Deadline for comments on that proposal is tomorrow (Sept. 9).

NEARLY 500 USED BUSINESS JETS CHANGED HANDS IN FIRST HALF

Just under 500 used business jet aircraft, approximately 10-12 percent of the total U.S. fleet, changed hands during the first half of 1986, according to statistics developed by a Dallas, Tex.-based business jet brokerage firm. W. Barry Smith Enterprises, Inc. said 492 used business jet transactions were recorded in the first half, an increase of 28.1 percent over the 384 transactions recorded during

(Continued on the following page)

NOW ONLINE WORLDWIDE

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS AMERICA PUBLISHING, INC. COPYRIGHT © 1986 NEWS AMERICA PUBLISHING, INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $250. SIX MONTHS $165.

BUSINESS JET MARKET (Cont.)

the same period last year. The 492 transactions in January-June of this year also represented an increase of 45.1 percent over the 339 transactions in the last six months of 1985. Statistics compiled by the Federal Aviation Administration indicate there were about 4,200 business jet aircraft in the U.S. fleet at the start of 1985.

Despite the sharp increase in business jet transactions in the first half, the number of aircraft currently offered for sale is down only slightly from a year ago. Smith said there are currently 461 used business jets for sale, down 6.5 percent from the 493 aircraft that were on the market at this time last year. Current 1986 offerings are down only 4.6 percent from December of 1984, when 484 aircraft were on the market.

Chairman W. Barry Smith told BA his figures reflect only "user-to-user" transactions, noting that he does not include strictly financial transactions—such as a sales leaseback agreement—under which the same operator continues to use the aircraft. Smith said his figures also do not include as separate transactions acquisitions or sales by aircraft brokers or dealers. Smith said his data indicates that while the used jet market is very active—and probably will remain so—it does not reflect an expansion of the overall market for business jets. He said there is no evidence of significant growth in the number of companies operating business jets or fleet expansion by existing operators. Rather, he said, there is "a lot of churning" within the existing business jet market as companies change the makeup of their corporate fleets.

AERO SERVICES SELLS WEATHER SUBSIDIARY TO UNIVERSAL — Aero Services International Inc. has announced the sale of its National Weather Corp. subsidiary to Universal Weather and Aviation Inc. ASI, which is headquartered in Teterboro, N.J., bought the Teterboro-based NWC in late 1983, stating that it planned to expand the 25-employe staff and improve marketing (BA, Oct. 10, 1983/117). ASI officials said last week that NWC had about 15 employes at the time of the sale to Houston-based Universal. ASI has 20 fixed-base operations in the U.S. Universal is a major supplier of weather data, flight planning and ground handling services.

DE HAVILLAND, SHORTS AGREE TO COLLABORATE ON NEW AIRPLANE — De Havilland Aircraft of Canada and Shorts of Belfast, Northern Ireland have signed a memorandum of understanding (MOU) to collaborate on design and production of a new regional aircraft. In making the announcement at last week's Farnborough Air Show, de Havilland President Bill Boggs declined to be specific about the size of the new aircraft, describing it in vague terms as having from 19- to 80-passenger seats. It seems likely, however, that the plane being considered would be at the small end of that range, although officials last week made no mention of the DHC-9, the long anticipated Twin Otter replacement (BA, Dec. 9/190).

A new aircraft in the 19-25-seat range would solve distinct market problems for both manufacturers. De Havilland needs a modern, high-performance replacement for the aging Twin Otter. Shorts, having bridged the gap between 19- and 44-seat regional aircraft with the 330 and 360, now finds itself behind a technology curve with the advent of the new-generation 30-passenger-plus turboprops. Shorts announced a market study for a new Model 450 in April of 1985, but lack of customer interest in that aircraft—which would have involved a stretch of the basic 330/360 airframe to accommodate 44-47 passengers—killed that idea before the end of the year (BA, Oct. 28/137).

The MOU calls for a joint study to determine the "forward requirments" of the regional industry for a new-generation aircraft. Study, expected to be completed in about 12 months, will focus on such areas as "market definition, applicability of new technologies, configuration alternatives and powerplant considerations," the joint statement said. "Emphasis will be on innovative design and manufacturing techniques to reduce ownership costs."

BAe DISPLAYS MODEL OF SUPERSONIC BUSINESS JET AT FARNBOROUGH — The British Aerospace exhibit at last week's Farnborough Air Show included a display of models of aircraft from the "Past, Present and Future," including one of a supersonic business jet that might be available around the year 2010. Emphasizing that the supersonic project is very much a "paper airplane" at present, officials said they are looking at a 12-passenger aircraft with a gross weight of 100,000 pounds that could operate at speeds of Mach 1.85 with a range of 3,800 nautical miles. Aircraft would be powered by three engines of unspecified design, with one tail mounted and the other two atop the wings.

COPYRIGHT © 1986 NEWS AMERICA PUBLISHING, INC.

U.S. USED BUSINESS JET TRANSACTIONS
First Two Quarters of 1986

	First Qtr	Second Qtr	Six Mos
BAC 111	2	2	4
BOEINGS & DC-9	4	3	7
CHALLENGER 600	3	2	5
CHALLENGER 601	2	-	2
CITATION I/500	40	37	77
CITATION II/550	30	31	61
CITATION III	3	4	7
DIAMOND	1	9	10
FALCON 10/100	4	12	16
FALCON 20/200	15	20	35
FALCON 50	3	10	13
GULFSTREAM II/IIB	11	15	26
GULFSTREAM III	1	4	5
HS 125 1A/3A/400	12	5	17
HS 125/600	2	4	6
HS 125/731 RETROFITS	-	5	5
HS 125/700	6	5	11
HS 125/800	1	-	1
JETSTAR -6,-8	6	4	10
JETSTAR 731/II	7	6	13
LEAR 25/28/29	22	22	44
LEAR 35/36	29	16	45
LEAR 55	3	3	6
SABRE 40	7	13	20
SABRE 60/65	7	13	20
SABRE 75/80	4	1	5
WESTWINDS 1124/I/II	7	14	21
	232	260	492

FIRST HALF OF 1986 IS UP 4.7% OVER FIST HALF OF 1984 (470)
FIRST HALF OF 1986 IS UP 28.1% OVER FIRST HALF OF 1985 (384)
FIRST HALF OF 1986 IS UP 45.1% OVER LAST HALF OF 1985 (339)

Chart provided by W. Barry Smith Enterprises, Inc.

BUSINESS JETS CURRENTLY OFFERED FOR SALE

BAC 111	3
BOEING 727/100	9
BOEING 727/200	1
DC-8	1
DC-9	1
CHALLENGER 600	10
CHALLENGER 601	1
CITATION II	49
CITATION III	6
DIAMOND	21
FALCON 10/100	16
FALCON 20/200	51
FALCON 50	3
GULFSTREAM II/IIB	17
GULFSTREAM III	6
GULFSTREAM IV POSITION	1
HS 125/731 RETROFIT	5
HS 125/400	5
HS 125/600	7
HS 125/700	12
HS 125/800	2
JETSTAR 731	10
JETSTAR II	4
LEAR 25/28/29	58
LEAR 35/36	53
LEAR 55	7
SABRE 40	32
SABRE 60	25
SABRE 65	6
SABRE 75/80	13
WESTWIND 1124	9
WESTWIND I	5
WESTWIND II	10
WESTWIND 1125 POSITION	2
TOTAL:	461

CURRENT 1986 OFFERINGS ARE DOWN 6.5% FROM SAME TIME IN 1985 (493)
CURRENT 1986 OFFERINGS ARE DOWN 4.6% FROM DECEMBER, 1984 (484)
CURRENT 1986 OFFERINGS ARE DOWN 1.5% FROM AUGUST, 1984 (468)

Chart provided by W. Barry Smith Enterprises, Inc.

FOKKER JOINS THREE OTHER FIRMS IN STUDY OF NEW AIRLINER -- Fokker B.V. of Holland, which is currently developing the Fokker 50 turboprop and Fokker 100 jet aircraft, has joined three other firms in a study of the potential market for yet another regional airline aircraft. Boeing Commercial Airplane Company said Fokker has joined with Boeing, IPTN of Indonesia and Messerschmitt-Boelkow-Blohm of West Germany in a joint study "to determine the feasibility of an advanced regional technology airplane. Boeing, IPTN and MBB had signed a memorandum of understanding to that effect early this year. Boeing said that under the MOU, "the three companies are to study jointly the potential market and design options for a medium-range, new-technology airplane in the 100-seat category. Later this year, the partners will determine whether the market and available techologies will warrant continued joint efforts," Boeing said. If it is produced, the new jet aircraft would incorporate the latest developments in advanced propulsion technology, Boeing said, adding that it "could be in the marketplace between 1992 and 1995."

TRUST FUND TOPS $8 BILLION MARK -- Balance in the Aviation Trust Fund at the end of June was a record $8.4 billion, topping the $8 billion mark for the first time, according to the latest figures from the Treasury Department (see chart on the back of Page 76). Balance in the Trust Fund hit $7.94 billion at the end of May (BA, Aug. 4/39). User tax receipts totaled $230.1 million in June and $154.2 million was spent for a variety of aviation programs. Investment interest on money in the Trust Fund totaled $418.9 million, boosting the balance to $8.4 billion.

Rep. Dan Glickman (D-Kan.) last month introduced H.R.5325, which would suspend collection of taxes for the Trust Fund whenever its unobligated balance exceeds $1 billion (BA, Aug. 11/44). "The unused balance is being used solely to make the overall budget look better. That is a perversion of the Trust Fund," Glickman said.

ILFC PLACES ORDER FOR SEVEN FOKKER 100S -- Fokker Aircraft has received an order from International Lease Finance Corp. for the purchase of seven Fokker 100 jetliners. Value of the order is approximately $147 million; deliveries are scheduled for the first half of 1988. Flight of the first prototype, which is currently under construction in Amsterdam, is scheduled before the end of the year. Aircraft is powered by two Rolls-Royce Tay 620 engines. The company is the first leasing organization to purchase the new aircraft. Fokker said it has firm orders for 45 Fokker 100s plus options for 31 additional aircraft.

LOS ANGELES APPEALS FIRST AMENDMENT CASE TO SUPREME COURT -- Los Angeles Department of Airports has appealed to the U.S. Supreme Court (Case No. 86-104) a federal appeals court decision that found the airport a "traditional" forum for First Amendment activity, including for proselytizing by the religious group Jews for Jesus. If left in place, said some sources, the decision could jeopardize attempts by airports to impose restrictions on First Amendment activity. Airports in most cases have been found to be "limited" or "non-traditional" forums for such activities, allowing them to limit personal expression to that which is appropriate for the facility, has an appropriate audience and is compatible with the forum's usual activities.

Los Angeles, in papers filed with the court, said that it allows First Amendment activities on the airport's sidewalks but had reserved terminal areas for intended uses. But a California court, in a decision upheld by the 9th U.S. Circuit Court of Appeals, said the airport is a traditional forum for expression, in the same manner as streets, parks and sidewalks. Airport argued that if airports cannot regulate use of their facilities, "all government-operated facilities, regardless of their intended purposes, may become mini-parks dedicated to the widest range of activities imaginable."

Los Angeles based its defense in part on a case from the 2nd Circuit that barred the International Society for Krishna Consciousness from soliciting funds at the Meadowlands sports complex in New Jersey. The court said people did not attend events at the complex for the purpose of being asked for money, and regulation of solicitors' activities therefore was reasonable. Other courts have upheld restrictions by airports on First Amendment activities, such as the 11th Circuit, which allowed Atlanta to restrict solicitations of donations to booths inside the terminal.

AIR WISCONSIN ORDERS SIX MORE BAe 146 AIRCRAFT -- United Express Air Wisconsin last week ordered six additional 100-passenger BAe 146s, which will bring the carrier's total 146 fleet to 15 aircraft. Order is valued at over $100 million.

COPYRIGHT © 1986 NEWS AMERICA PUBLISHING, INC.

76a

STATUS OF AIRPORT & AIRWAY TRUST FUND
20X8103
JUNE 30, 1986

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	$ 7,948,606,028.53	$ 7,425,506,743.43
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund):		
Any liquid fuel except gas	-692,000.00	50,812,000.00
Tires used on aircraft	0.00	0.00
Tubes used on aircraft	0.00	0.00
Gasoline		
1. Commercial 9 cents tax	225,000.00	2,025,000.00
2. Non-commercial 9 cents tax	5,000,000.00	28,098,000.00
3. Non-commercial 3 cents tax	1,680,000.00	9,132,000.00
4. Transp by air,seats,berths,etc.	203,700,000.00	1,769,231,000.00
Use of international trav fac	8,189,000.00	64,316,000.00
Transp of property and cargo	12,092,000.00	99,760,000.00
Total Tax Receipts	230,194,000.00	2,023,374,000.00
B. Less Reimbursement to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	0.00	1,014.00
2. Any liquid fuel except gas	0.00	6,846,996.00
3. Gasoline -Retailer's tax	145,000.00	582,790.00
4. Gasoline -Manufac. tax	0.00	44,987.00
Total Reimburse For Tax Refunds	145,000.00	7,475,787.00
Net Tax Receipts	230,049,000.00	2,015,898,213.00
C. Interest on Investments	418,953,451.33	827,749,734.14
Net Receipts	649,002,451.33	2,843,647,947.14
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	7,999,990.00	428,346,645.34
2. Grants-in-aid for airports	53,354,404.34	625,589,949.16
3. Facilities & equipment	59,623,986.61	540,774,815.62
4. Research engineering & development	26,309,540.04	210,195,831.66
B. NOAA weather services	6,999,450.00	20,998,350.00
C. Interest on Refund of Taxes	0.00	935.00
Total Expenditures	154,287,370.99	1,825,906,526.78
IV. BALANCE - END OF PERIOD	8,443,321,108.87	8,443,248,163.79

ASSETS :		
Undisbursed Balances:		$
Airport & Airway Trust Fund	606.26	
Operations	-4,645.34	
Grants-in-aid for Airports	-5,068,822.40	
Facilities & Equipment	9,324,468.74	
Research Engineering & Development	15,263,906.53	
NOAA weather services	1,650.00	
		$ 19,517,163.79
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS:		
9-3/4% maturing JUNE 30, 1987	$ 8,423,731,000.00	
		8,423,731,000.00
Total Assets		8,443,248,163.79
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		$ 8,443,248,163.79
Total Liabilities and Equity		8,443,248,163.79

C6240-1-P

Business and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION®

Vol. 43 No. 11 September 15, 1986 Page 81

INSIDE

Pan Am Wants More LGA Slots..............Page 82
FanStar Program Outlined......................Page 83
ARSA Proposed for Houston Hobby........Page 84
August Shipments and Billings...............Page 85
Business Aviation Briefs.........................Page 86

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

FAA MAY ACT ON EARLIER PROPOSALS IN RESPONSE TO MIDAIR

Federal Aviation Administration may act on two pending rulemaking proposals as a result of the Aug. 31 midair collision between a Piper Cherokee and an Aeromexico DC-9 over Cerritos, Calif. An FAA spokesman told BA Friday the agency could take final action by the end of the year on a notice of proposed rulemaking it issued a year ago. That proposal would mandate the "use, installation, inspection and testing of Air Traffic Control Radar Beacon System (ATCRBS) and Mode S transponders in U.S-registered civil aircraft...as well as automatic pressure altitude reporting equipment within all terminal control areas" (both Group I and Group II TCAs) and above 12,500 feet MSL within the contiguous U.S., excluding airspace at and below 2,500 feet AGL. The proposal, which FAA issued almost exactly one year ago (BA, Sept. 23/102), also would require that after Jan. 1, 1992 all newly installed transponders must meet the TSO requirements for Mode S transponder equipment. Comment period closed last December and a final rule could conceivably be issued at any time.

Another proposal that is expected to receive close attention in the wake of the California midair is the recent petition by the Air Transport Association. ATA wants FAA to require automatic altitude reporting capability for flight operations in all teminal airspace where radar service is provided by FAA and in all controlled airspace above 4,000 feet (BA, Aug. 25/59).

Congress has not scheduled any hearings as a direct result of the Aug. 31 accident and pressure to complete the rest of its legislative agenda before the Oct. 3 adjournment date may preclude direct Congressional involvement in the issue during the three weeks remaining in the 99th Congress. There has been public pressure, however, for tighter restrictions or new equipment requirements on general aviation aircraft. In a lead editorial titled "No Right To Fly," the Sept. 8 Washington Post stated that "there are too many small planes flying under too little control around the major airports in this country." In addition to urging adoption of rules requiring altitude-recording (sic) transponders on most aircraft, the editorial called for adoption of traffic restrictions, noting that "the small planes will have to give way to the large." Last Wednesday's USA Today devoted a full page to varying viewpoints on the issue. In an editorial headlined "Restrict Small Planes To Make Flying Safer," the paper called for new equipment requirements, expanded restrictions on recreational fliers around major airports and the possible hiring of some controllers fired after the 1981 PATCO strike.

COURT RULES AIRPORTS CAN DENY USAGE TO REDUCE CONGESTION

An airport operator is permitted proprietory rights and powers and can deny use of the airport on the basis of noise or "other danger which can be caused by aircraft using the airport," according to a New York district court. In rendering his decision in the case of Western Air Lines vs. Port Authority of New York and New Jersey, Judge John Canella said the Port Authority had the right to maintain a 1,500-mile perimeter rule so as to reduce congestion. Western had attempted to get the rule overturned because it wants to provide nonstop service from LaGuardia to its Salt Lake City hub.

The court referred to a 1969 airport capacity case, Aircraft Owners and Pilots Assocation vs. Port Authority, which levied a "takeoff" fee on certain small aircraft for the purpose of reducing airport congestion. Court recognized the fee, which was imposed to divert air traffic during the

(Continued on the following page)

NOW ONLINE WORLDWIDE

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS AMERICA PUBLISHING, INC. COPYRIGHT © 1986 NEWS AMERICA PUBLISHING, INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $250. SIX MONTHS $165.

BUSINESS/PERSONAL AIRCRAFT INDUSTRY – AUGUST UNIT SHIPMENTS

		Aug. 86	Cal. Year
AEROSPATIALE GENERAL AVIATION			
• Single-Engine			
TB-9	Tampico	0	2
TB-10	Tobago	5	32
TB-20	Trinidad	4	24
TB-21	Trinidad TC	0	3
R110		0	1
R180		0	0
R235		0	0
TOTAL		9	62
BEECH AIRCRAFT CORP.			
• Single-Engine			
BE-77	Skipper	0	0
BE-C23	Sundowner	1	1
BE-C24R	Sierra	1	2
BE-F33A	Bonanza	2	14
BE-F33C	Bonanza	9	18
BE-A36	Bonanza	2	34
BE-V35B	Bonanza	0	0
BE-B36TC	Bonanza	1	8
• Multi-Engine			
BE-B55	Baron	0	0
BE-E55	Baron	0	0
BE-58	Baron	3	14
BE-58TC	Baron	0	0
BE-58P	Baron	0	3
BE-76	Duchess	0	1
BE-B60	Duke	0	0
BE-C99	Airliner	0	1
BE-C90-1	King Air	2	5
BE-F90-1	King Air	0	3
BE-B100	King Air	0	0
BE-200	Super King Air	3	19
BE-200C	Super King Air	1	1
BE-300	Super King Air	1	19
BE-200T	Super King Air	0	0
BE-1900C	Commuter	0	9
Beechjet 400	Diamond IA	2	11
TOTAL		28	163
Manufacturers net billing – $21,671,788.83			
BRITISH AEROSPACE			
• Multi-Engine			
BAe	Jetstream 31	2	26
HS-748		0	1
BAe 146-100		3	7
BAe 146-200		0	4
HS-125-800	Model A	0	9
HS-125-800	Model B	1	1
TOTAL		6	48
PILATUS BRITTEN-NORMAN			
• Multi-Engine			
BN-2B	Islander	0	1
BN-2T	Islander	1	4
Mark III	Trislander	0	0
TOTAL		1	5
CANADAIR			
• Multi-Engine			
CL-600	Challenger	0	0
CL-601	Challenger	2	7
TOTAL		2	7
CESSNA AIRCRAFT CO.			
• Single-Engine			
CE-152		0	0
CE-A152	Aerobat	4	4
CE-172	Skyhawk	6	109
CE-172	Cutlass	0	0
CE-172RG	Cutlass	0	1
CE-182	Skylane	0	37
CE-182	Turbo Skylane	0	1
CE-182RG	Skylane RG	1	7
CE-182RG	Turbo Skylane RG	0	1
CE-185	Skywagon	0	0
CE-U206	Stationair 6	5	45
CE-TU206	Turbo Stationair 6	3	24
CE-207	Stationair 8	0	0
CE-TU207	Turbo Stationair 8	0	0
CE-208	Caravan I	1	20
CE-208	Caravan II	1	2
CE-210	Centurion	0	11
CE-T210	Turbo Centurion	1	34
CE-P210	Pressurized Centurion	0	7
CE-188	AgHusky	0	0
CE-188	AgTruck	0	0
• Multi-Engine			
CE-303	Crusader	0	2
CE-335		0	0
CE-340		0	8
CE-402		0	1
CE-404	Titan	0	0
CE-414	Chancellor	1	4
CE-421	Golden Eagle	2	4
CE-425	Conquest I	0	3
CE-441	Conquest II	0	1
CE-500	Citation I	0	0
CE-550S/II	Citation II	4	17
CE-650	Citation III	1	7
REIMS AVIATION			
• Single-Engine			
CE-F152		0	0
CE-F152	Aerobat	1	3
CE-F172	Skyhawk	0	3
CE-FR172	Hawk XP	0	0
CE-F182	Skylane	0	0
CE-F182RG	Skylane RG	0	0
TOTAL		31	356
Manufacturers net billing – $23,385,974			
AVIONS-MARCEL DASSAULT			
• Multi-Engine			
AD-My.10	Falcon	0	0
AD-My.20	Falcon	0	1
AD-My.200	Falcon	2	3
AD-My.50	Falcon	0	1
AD-My.900	Falcon	1	8
TOTAL		3	13
DEHAVILLAND AIRCRAFT OF CANADA			
• Multi-Engine			
DHC-5		0	2
DHC-6	Twin Otter	0	2
DHC-7		0	1
DHC-8		2	21
TOTAL		2	26
EMBRAER			
• Single-Engine			
EMB-201	Ipanema	*	7
EMB-710	Carioca	*	0
EMB-711	Corisco	*	4
EMB-712	Tupi	*	5
EMB-720	Minuano	*	16
EMB-721	Sertanejo	*	0
• Multi-Engine			
EMB-110	Bandeirante	*	0
EMB-120	Brasilia	*	4
EMB-121	Xingu	*	3
EMB-810D	Seneca II	*	18
EMB-820		*	0
TOTAL		*	57
FAIRCHILD AIRCRAFT CORP.			
• Multi-Engine			
Merlin III-C		1	1
Fairchild 30		0	0
Merlin IV-C		0	0
Metro III		2	19
TOTAL		3	20
GATES LEARJET			
• Multi-Engine			
LR-25D		0	0
LR-25G		0	0
LR-35A		1	8
LR-36A		0	0
LR-55		1	3
TOTAL		2	11

COPYRIGHT © 1986 NEWS AMERICA PUBLISHING, INC.

85a

		Aug. 86	Cal. Year
GULFSTREAM AEROSPACE			
● Multi-Engine			
GR-1159A	Gulfstream III	0	7
AE-840	Turbo Commander	0	0
AE-900	Commander 900	0	0
AE-980		0	0
AE-1000		0	2
TOTAL		0	9
ISRAEL AIRCRAFT INDUSTRIES			
● Multi-Engine			
1124	Westwind 1	0	0
1124A	Westwind 2	0	4
	Astra	1	4
TOTAL		1	8
LAKE AIRCRAFT			
● Single-Engine			
LA-4-200EP		0	4
LA-250	Renegade	3	12
TOTAL		3	16
MAULE AIR INC.			
● Single-Engine			
M-5-180C		0	4
M-5-200		0	0
M-5-235C	Lunar Rocket	1	4
M-6-235		0	1
MX-7-180	Super Rocket	2	5
M-7-235	Super Rocket	1	8
MX-7-235		0	17
TOTAL		4	39
Manufacturers net billing – $192,629			
MOONEY AIRCRAFT CORP.			
● Single-Engine			
M-20J	201 Lean Machine	2	19
M-20J	205	3	10
M-20K	252	8	56
TOTAL		13	85
PARTENAVIA S.P.A.			
● Multi-Engine			
P68C		1	9
P68C-TC		0	3
P68	Observer	0	3
P68	Observer TC	0	2
Spartacus		0	1
TOTAL		1	18

		Aug. 86	Cal. Year
PIPER AIRCRAFT CORP.			
● Single-Engine			
PA-38-112	Tomahawk	*	0
PA-28-161	Warrior	*	33
PA-28-181	Archer II	*	25
PA-28-236	Dakota	*	4
PA-28RT-201T	Turbo Arrow IV	*	1
PA-32-301	Saratoga	*	5
PA-32R-301	Saratoga SP	*	1
PA-32R-301T	Turbo Saratoga SP	*	3
PA-46-310P	Malibu	*	39
● Multi-Engine			
PA-31-350	Chieftain	*	0
PA-31P-350	Mojave	*	0
PA-31-500	Cheyenne I	*	0
PA-31-500	Cheyenne IA	*	2
PA-42-720	Cheyenne III	*	1
PA-42-720	Cheyenne IIIA	*	1
PA-42-1000	Cheyenne 400LS	*	2
PA-34-220T	Seneca III	*	19
PA-44-180	Seminole	*	0
PA-44-180T	Turbo Seminole	*	0
PA-T1020		*	0
PA-T1040		*	0
TOTAL		*	136
SHORT BROTHERS LTD.			
● Multi-Engine			
SBJ-CS-7	Skyvan	0	1
SD-3-30		0	1
SD-3-60		1	12
TOTAL		1	14
	SINGLE-ENGINE	67	731
	MULTI-ENGINE	43	362
	GRAND-TOTAL	110	1,093

UNIT SHIPMENTS COMPARATIVE TREND: 19 MANUFACTURERS

	August			Calendar Year to Date		
	1986	1985	1984	1986	1985	1984
Aerospatiale	9	11	*	62	46	*
Beech	28	11	32	163	204	279
British Aerospace	6	7	7	48	50	36
Britten-Norman	1	1	1	5	7	9
Canadair	2	1	1	7	3	15
Cessna	31	94	117	356	586	538
Dassault	3	0	6	13	13	19
De Havilland	2	3	2	26	24	17
Embraer	*	10	6	57	80	67
Fairchild	3	4	3	20	14	15
Gates	2	1	4	11	14	16
Gulfstream	0	4	6	9	40	32
Israel	1	*	1	8	6	7
Lake	3	1	5	16	17	22
Maule Air	4	8	6	39	57	35
Mooney	13	7	16	85	52	87
Partenavia	1	*	*	18	*	*
Piper	*	38	44	136	362	419
Short	1	2	0	14	13	23
TOTAL	110	203	257	1,093	1,588	1,636

* Figures not available.

C6240-1-P

Business and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION®

Vol. 43 No. 13 September 29, 1986 Page 97

INSIDE

ALPA Survey Shows Safety Concerns....Page 98
Airport Access Options Studied.............Page 99
Five Killed In ASA Brasilia Crash.........Page 100
Business Aviation Briefs.........................Page 101
Marketplace..Page 104

DAVE COLLOGAN/EDITOR
KATHRYN BLEDSOE/ASSISTANT EDITOR
1156 15th STREET, N.W./WASHINGTON, D.C. 20005
PHONE: (202) 822-4600/TELEX: 89-2447

GA MANUFACTURERS SEE ITC PROVISION AS 'LONG AWAITED CATALYST'

News that tax reform legislation will include a provision allowing buyers of general aviation aircraft to take advantage of the Investment Tax Credit brought overall gratification from U.S. general aviation interests but left foreign manufacturers angered at being "left off the playing field."

Tax reform bill generally eliminates use of the 10 percent ITC for goods purchased after Jan. 1, 1986, but conferees adopted a provision that permits use of the ITC by persons who buy an aircraft by Dec. 31, 1986 and put it into service by July 1, 1987 (BA, Sept. 22/91). The provision applies only to aircraft of 19 or fewer seats that are already built or under construction, and as originally stated, was limited to aircraft manufactured in Kansas, Florida, Georgia, or Texas. A spokesman for Gates Learjet Corp. said aircraft manufactured in Arizona were added to the provision last Thursday. "We don't know why we were initially left out," he said, "but we are thankful for this badly needed action. We see it as a very positive action for fourth quarter sales."

Cessna Chairman Russell Meyer said the transition rule "though limited in time and scope, represents a major opportunity for the manufacturers in the country to reduce their aircraft inventory and generate a backlog of orders for the first half of 1987." A spokesman for Beech Aircraft Corp. said the proposal would provide a short-term, much needed stimulant resulting in a decrease in the aircraft manufacturer's inventory." Meyer said the legislation could "well provide the much awaited catalyst to turn the entire industry around, especially for turbine aircraft." Roy Bergstrom, senior vice president of marketing for Falcon Jet said he was "very disappointed" with the new law. "The intent (in maintaining the ITC) seemed to have available a playing field, the one we have now is not level."

REP. MINETA EXPRESSES DISAPPOINTMENT WITH 'UNFINISHED AGENDA'

Rep. Norman Mineta (D-Calif.) expressed disappointment with the large number of unfinished aviation-related items on the House agenda and said while the Federal Aviation Administration's inspection program has been strengthened, other FAA activities have "not improved at the pace called for by the public, the industry, and the Congress."

Speaking before the Aero Club of Washington, D.C. last week, Mineta predicted a major effort to remove the Trust Fund from the federal budget. He said any reauthorization effort by the House of Representatives will "have to seriously consider an off-budget concept so that safety and capacity needs of the aviation system can be adequately addressed." He said the "burden is on those who are opposed to taking the trust fund off budget to demonstrate why they believe the current system is working and serving the traveling public."

Mineta said he was also concerned with the "growing imbalance" between the user taxes and the level of the progams supported by those taxes. He said the funds must be allowed "to do what they were collected to do. If all else fails, we must consider not reauthorizing the taxes and using up the surplus or putting in a trigger tax...it might take that degree of attention to get OMB and the President's interest."

Mineta criticized the rate at which the number of air traffic controllers were being increased, saying "targets and promises have not been fulfilled...actual increases have come haltingly and far more

(Continued on the following page)

NOW ONLINE WORLDWIDE

PUBLISHED BY THE BUSINESS PUBLICATIONS DIVISION OF MURDOCH MAGAZINES, A DIVISION OF NEWS AMERICA PUBLISHING, INC. COPYRIGHT @ 1986 NEWS AMERICA PUBLISHING, INC. ALL RIGHTS RESERVED. REPRODUCTION IS STRICTLY PROHIBITED. SUBSCRIPTIONS: ONE YEAR $250. SIX MONTHS $165.

102a

AIRPORT & AIRWAY TRUST FUND

Status As Of July 31, 1986

	CURRENT MONTH	FISCAL YEAR TO DATE
I. BALANCE - BEGINNING OF PERIOD	$ 8,443,243,163.79	$ 7,425,506,743.43
II. RECEIPTS:		
A. Excise Taxes (Transferred from General Fund):		
Any liquid fuel except gas	5,900,000.00	56,712,000.00
Tires used on aircraft	0.00	0.00
Tubes used on aircraft	0.00	0.00
Gasoline		
1. Commercial 9 cents tax	232,000.00	2,257,000.00
2. Non-commercial 9 cents tax	1,937,000.00	30,035,000.00
3. Non-commercial 3 cents tax	616,000.00	9,748,000.00
4. Transp by air,seats,berths,etc.	231,788,000.00	2,001,019,000.00
Use of international trav fac	8,146,000.00	72,462,000.00
Transp of property and cargo	12,832,000.00	112,592,000.00
Total Tax Receipts	261,451,000.00	2,284,825,000.00
B. Less Reimbursenent to General Fund - Refund of Taxes and Estimated Tax Credits :		
1. Civil aircraft	0.00	-1,014.00
2. Any liquid fuel except gas	0.00	-6,846,996.00
3. Gasoline -Retailer's tax	0.00	-582,790.00
4. Gasoline -Manufac. tax	0.00	-44,987.00
Total Reimburse For Tax Refunds	0.00	-7,475,787.00
Net Tax Receipts	261,451,000.00	2,277,349,213.00
C. Interest on Investments	532,585.23	828,282,319.37
Net Receipts	261,983,585.23	3,105,631,532.37
III. EXPENDITURES :		
A. Federal Aviation Administration :		
1. Operations	-10.00	428,346,635.34
2. Grants-in-aid for airports	77,888,848.77	703,478,797.93
3. Facilities & equipment	64,135,778.46	604,910,594.08
4. Research engineering & development	33,726,581.13	243,922,412.79
B. NOAA weather services	0.00	20,998,350.00
C. Interest on Refund of Taxes	0.00	935.00
Total Expenditures	175,751,198.36	2,001,657,725.14
IV. BALANCE - END OF PERIOD	8,529,480,550.66	8,529,480,550.66

STATEMENT OF FINANCIAL CONDITION

ASSETS		
Undisbursed Balances.		$
Airport & Airway Trust Fund	191.49	
Operations	-4,635.34	
Grants-in-aid for Airports	3,670,329.83	
Facilities & Equipment	-59,591,309.72	
Research Engineering & Development	88,120,325.40	
NOAA weather services	0.00	
		$ 32,204,900.66
Investments :		
U.S. TREASURY CERTIFICATES OF INDEBTEDNESS:		
9-1/2% maturing JUNE 30, 1987	$ 73,543,000.00	
9-3/4% maturing JUNE 30, 1987	8,423,731,000.00	
		8,497,274,000.00
Total Assets		8,529,478,900.66
LIABILITIES:		0.00
EQUITY:		
Excess of Assets over Liabilities		$ 8,529,478,900.66
Total Liabilities and Equity		8,529,478,900.66

Treasury Department Chart

BUSINESS/PERSONAL AIRCRAFT INDUSTRY – SEPTEMBER UNIT SHIPMENTS

		Sept. 86	Cal. Year
AEROSPATIALE GENERAL AVIATION			
• Single-Engine			
TB-9	Tampico	1	2
TB-10	Tobago	0	32
TB-20	Trinidad	0	29
TB-21	Trinidad TC	4	7
R110		0	1
R180		0	0
R235		0	0
TOTAL		5	71
BEECH AIRCRAFT CORP.			
• Single-Engine			
BE-77	Skipper	0	0
BE-C23	Sundowner	0	1
BE-C24R	Sierra	2	4
BE-F33A	Bonanza	2	16
BE-F33C	Bonanza	3	21
BE-A36	Bonanza	3	37
BE-V35B	Bonanza	0	0
BE-B36TC	Bonanza	3	11
• Multi-Engine			
BE-B55	Baron	0	0
BE-E55	Baron	0	0
BE-58	Baron	6	20
BE-58TC	Baron	0	0
BE-58P	Baron	1	4
BE-76	Duchess	0	0
BE-B60	Duke	0	0
BE-C99	Airliner	0	1
BE-C90-1	King Air	0	5
BE-F90-1	King Air	0	3
BE-B100	King Air	0	0
BE-200	Super King Air	1	20
BE-200C	Super King Air	0	1
BE-300	Super King Air	0	19
BE-200T	Super King Air	0	0
BE-1900C	Commuter	3	12
Beechjet 400	Diamond IA	0	11
TOTAL		24	186
Manufacturers net billing – $15,294,021.61			
BRITISH AEROSPACE			
• Multi-Engine			
BAe	Jetstream 31	0	20
HS-748		0	1
BAe 146-100		2	9
BAe 146-200		0	4
HS-125-800	Model A	4	13
HS-125-800	Model B	1	2
TOTAL		7	49
PILATUS BRITTEN-NORMAN			
• Multi-Engine			
BN-2B	Islander	0	1
BN-2T	Islander	1	5
Mark III	Trislander	0	0
TOTAL		1	6
CANADAIR			
• Multi-Engine			
CL-600	Challenger	0	0
CL-601	Challenger	3	10
TOTAL		3	10
CESSNA AIRCRAFT CO.			
• Single-Engine			
CE-152		0	0
CE-A152	Aerobat	0	4
CE-172	Skyhawk	5	114
CE-172	Cutlass	0	0
CE-172RG	Cutlass	0	1
CE-182	Skylane	0	37
CE-182	Turbo Skylane	0	1
CE-182RG	Skylane RG	0	7
CE-182RG	Turbo Skylane RG	0	1
CE-185	Skywagon	0	0
CE-U206	Stationair 6	7	52
CE-TU206	Turbo Stationair 6	2	26
CE-207	Stationair 8	0	0
CE-TU207	Turbo Stationair 8	0	0
CE-208	Caravan I	3	25
CE-208	Caravan II	0	2
CE-210	Centurion	2	13
CE-T210	Turbo Centurion	0	34
CE-P210	Pressurized Centurion	0	7
CE-188	AgHusky	0	0
CE-188	AgTruck	0	0
• Multi-Engine			
CE-303	Crusader	0	2
CE-335		0	0
CE-340		0	8
CE-402		0	1
CE-404	Titan	0	0
CE-414	Chancellor	0	4
CE-421	Golden Eagle	0	4
CE-425	Conquest I	5	8
CE-441	Conquest II	0	1
CE-500	Citation I	0	0
CE-550S/II	Citation II	3	20
CE-650	Citation III	3	10
REIMS AVIATION			
• Single-Engine			
CE-F152		0	0
CE-F152	Aerobat	16	19
CE-F172	Skyhawk	1	4
CE-FR172	Hawk XP	0	0
CE-F182	Skylane	0	0
CE-F182RG	Skylane RG	0	0
TOTAL		47	403
Manufacturers net billing – $34,314,700			
AVIONS-MARCEL DASSAULT			
• Multi-Engine			
AD-My.10	Falcon	*	0
AD-My.20	Falcon	*	1
AD-My.200	Falcon	*	3
AD-My.50	Falcon	*	1
AD-My-900	Falcon	*	8
TOTAL		*	13
DEHAVILLAND AIRCRAFT OF CANADA			
• Multi-Engine			
DHC-5		0	2
DHC-6	Twin Otter	0	2
DHC-7		0	1
DHC-8		0	21
TOTAL		0	26
EMBRAER			
• Single-Engine			
EMB-201	Ipanema	4	11
EMB-710	Carioca	0	0
EMB-711	Corisco	0	4
EMB-712	Tupi	2	7
EMB-720	Minuano	0	16
EMB-721	Sertanejo	0	0
• Multi-Engine			
EMB-110	Bandeirante	0	0
EMB-120	Brasilia	5	9
EMB-121	Xingu	0	3
EMB-810D	Seneca II	3	21
EMB-820		0	0
TOTAL		14	71
FAIRCHILD AIRCRAFT CORP.			
• Multi-Engine			
Merlin III-C		0	1
Fairchild 30		0	0
Merlin IV-C		0	0
Metro III		4	23
TOTAL		4	24
GATES LEARJET			
• Multi-Engine			
LR-25D		0	0
LR-25G		0	0
LR-35A		1	9
LR-36A		0	0
LR-55		0	3
TOTAL		1	12

COPYRIGHT © 1986 NEWS AMERICA PUBLISHING, INC.

125a

		Sept. 86	Cal. Year
GULFSTREAM AEROSPACE			
• Multi-Engine			
GR-1159A	Gulfstream III	3	10
AE-840	Turbo Commander	0	0
AE-900	Commander 900	0	0
AE-980		0	0
AE-1000		0	2
TOTAL		3	12
ISRAEL AIRCRAFT INDUSTRIES			
• Multi-Engine			
1124	Westwind 1	0	0
1124A	Westwind 2	0	4
	Astra	1	5
TOTAL		1	9
LAKE AIRCRAFT			
• Single-Engine			
LA-4-200EP		0	4
LA-250	Renegade	2	14
TOTAL		2	18
MAULE AIR INC.			
• Single-Engine			
M-5-180C		1	5
M-5-200		0	0
M-5-235C	Luner Rocket	0	4
M-6-235		1	2
MX-7-180	Super Rocket	1	8
M-7-235	Super Rocket	1	9
MX-7-235		1	16
TOTAL		5	44
Manufacturers net billing – $186,495			
MOONEY AIRCRAFT CORP.			
○ Single-Engine			
M-20J	201 Lean Machine	3	3
M-20J	205	1	11
M-20K	252	8	64
M-20K	231	1	1
TOTAL		13	79

		Sept. 86	Cal. Year
PARTENAVIA S.P.A.			
• Multi-Engine			
P68C		*	9
P68C-TC		*	3
P68	Observer	*	3
P68	Observer TC	*	2
Spartacus		*	1
TOTAL		*	18
PIPER AIRCRAFT CORP.			
• Single-Engine			
PA-38-112	Tomahawk	*	0
PA-28-161	Warrior	*	33
PA-28-181	Archer II	*	25
PA-28-236	Dakota	*	4
PA-28RT-201T	Turbo Arrow IV	*	1
PA-32-301	Saratoga	*	5
PA-32R-301	Saratoga SP	*	1
PA-32R-301T	Turbo Saratoga SP	*	3
PA-46-310P	Malibu	*	39
• Multi-Engine			
PA-31-350	Chieftain	*	0
PA-31P-350	Mojave	*	0
PA-31-500	Cheyenne I	*	0
PA-31-500	Cheyenne IA	*	2
PA-42-720	Cheyenne III	*	1
PA-42-720	Cheyenne IIIA	*	1
PA-42-1000	Cheyenne 400LS	*	2
PA-34-220T	Seneca III	*	19
PA-44-180	Seminole	*	0
PA-44-180T	Turbo Seminole	*	0
PA-T1020		*	0
PA-T1040		*	0
TOTAL		*	136
SHORT BROTHERS LTD.			
• Multi-Engine			
SBJ-CS-7	Skyvan	0	1
SD-3-30		0	1
SD-3-60		0	12
TOTAL		0	14
	SINGLE-ENGINE	80	811
	MULTI-ENGINE	50	412
	GRAND TOTAL	130	1,223

UNIT SHIPMENTS COMPARATIVE TREND: 19 MANUFACTURERS

	September			Calendar Year to Date		
	1986	1985	1984	1986	1985	1984
Aerospatiale	5	2	*	71	48	*
Beech	24	19	34	186	223	313
British Aerospace	7	4	7	49	54	43
Britten-Norman	1	0	0	6	7	9
Canadair	3	2	1	10	5	16
Cessna	47	131	198	403	717	736
Dassault	*	1	0	13	14	19
De Havilland	0	7	2	26	31	19
Embraer	14	8	6	71	88	73
Fairchild	4	3	5	24	17	20
Gates	1	3	1	12	17	17
Gulfstream	3	3	6	12	43	38
Israel	1	2	1	9	8	8
Lake	2	1	1	18	18	23
Maule Air	5	8	3	44	65	38
Mooney	13	7	22	79	59	109
Partenavia	*	*	*	18	*	*
Piper	*	39	44	136	401	463
Short	0	1	2	14	14	25
TOTAL	130	241	333	1,201	1,829	1,969

* Figures not available.